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The Social Economist.

GEORGE GUSTON,
STARKE HOYT KICHOLS, } Editors

MARCH, 1891.

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 { DR. R. HERBER NEWTON
- XI. Editorial Crucible.

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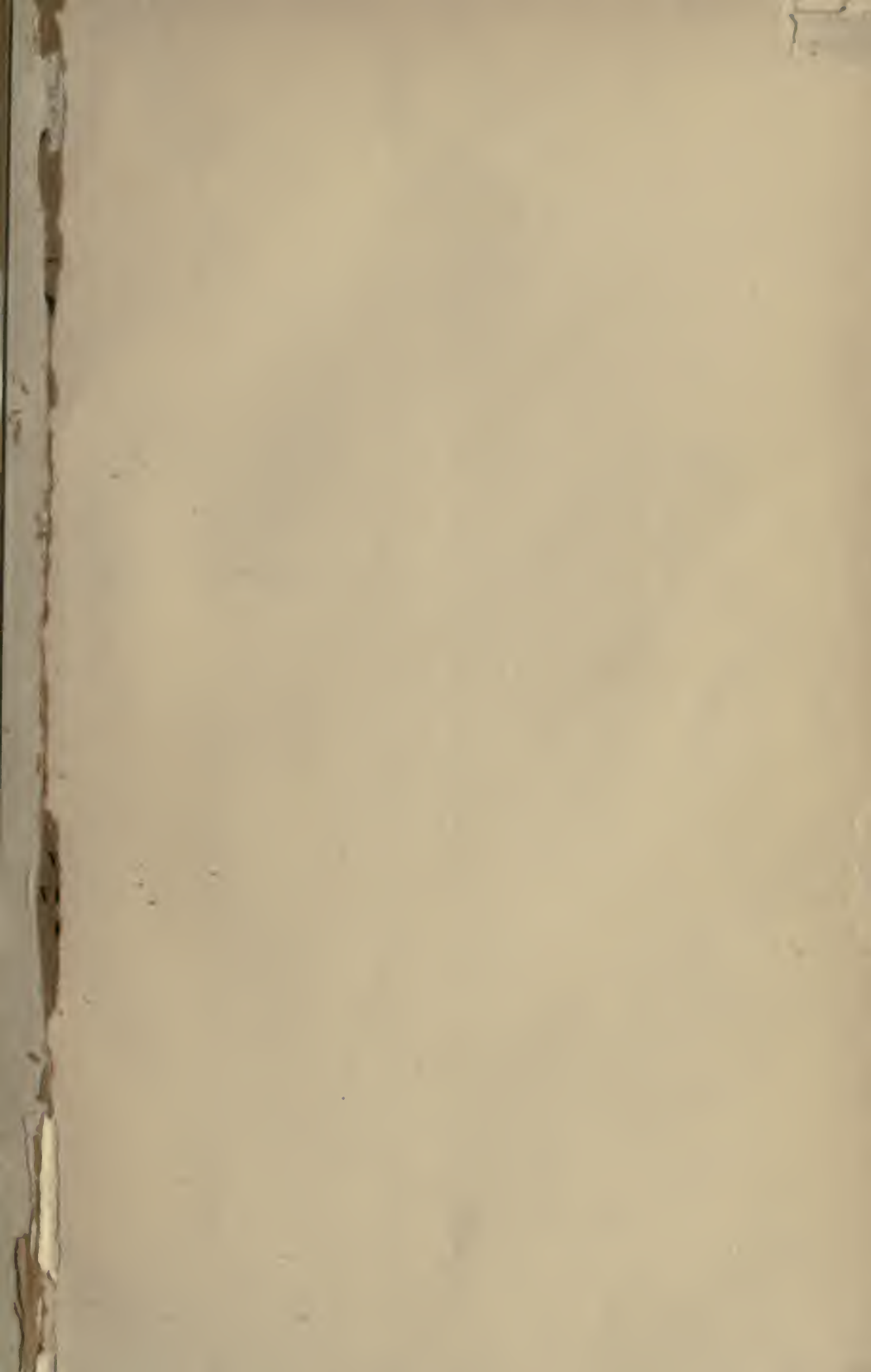
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GEORGE GUNTON, Editor

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THE SOCIAL ECONOMIST.

MARCH, 1891.

The Social Economist.

THE SOCIAL ECONOMIST comes into existence as an auxiliary to the Institute of Social Economics, and represents a departure in economic discussion. Not that it has any magic scheme to propose for bringing in a social millenium at short notice, on the contrary its purpose is to aid in promoting the natural advancement of society by contributing to a better understanding of the principles which always have governed and always must govern industrial and social progress.

Its intention is to devote itself to the study of the living movements of the day from the basis of economic principles which the history of mankind has already firmly established. We are living in an age most stirring and progressive, its movements differ from those of the past in that while formerly only sections and segments of society were advancing, now the whole body of the masses are on foot and pushing forward to better estates. The human race itself is awake and taking to the road in search of improvement, and the matters of consideration are no longer armies, and battles, diplomacy and the arts of kings, titles and honors, but the more sober and weighty affairs of general human well-being, the prosperity and modes of life of universal mankind. The subjects of the day are therefore not dynastic, esthetic, metaphysical or theological, they are mostly economical. They concern ways and means of living better, and being better, they are matters of wages, trades unions, and strikes trusts, and finance, free trade and tariff, questions which reach every individual and pertain to the welfare of all. They are also questions of democra-

cies and not of aristocracies, questions as to how the greatest good of the greatest number can be attained, and the vast majority of men be made free, comfortable and secure.

Now the method of the social advancement which is rapidly going on as at present conducted is chiefly one of social warfare. Capitalists strive with workmen, and workmen rail against capitalist as if they were born enemies. The man that has is regarded as the foe of the man that has not. Corporations are held to be hostile to the public weal, and government is frantically invoked to repress the greed of private enterprise. Preventive legislation on all subjects loads down the statute books with inoperative provisions, class declaims against class, the farmer organizes against the money lender, and the manufacturer against the railroad, interest conflicts with interest and the air is full of the cries of the various combatants as if an internecine strife were calling our citizens to go forth to battle for their rights.

The SOCIAL ECONOMIST will endeavor to show that this vast industrial warfare is no more needful than was the vast predatory warfare of early tribes to their own safety and well-being. It will teach that the conflict is one of conditions misunderstood, of situations explained after a false and misleading theory. It will advocate, therefore, a new attitude towards all economic questions. The ancient saws of Ricardo and Mill that demand and supply regulate the law of prices, that wealth is nothing but material good, and that worst of bad doctrines of Malthus, that the only way to raise wages is to exterminate the population or to prevent its increase, fallacies whose folly is written large upon the very forehead of all modern improvement, will be shown to be as false as they are dreary, and no more fitted for the guidance of the hopeful modern age than a tallow candle would be for the headlight of the locomotive of a limited express.

These and other deadly blunders the SOCIAL ECONOMIST hopes to expose so clearly that they shall become distrusted and

rejected of all men. And especially will it be devoted to showing that the former consideration of laborers as a productive force alone, whose services should be obtained at the least possible outlay, regardless of that more important consuming power by which the same laborers themselves make the market where alone the goods they produce can be sold, is a fatal error. For our doctrine is that wealth is not the chief end of man, but man is the chief end of wealth, and that the inevitable result of wealth is to make men more powerful, costly, useful, moral and happy. And by men we do not for a moment mean a few capitalists, nor a few scholars and thinkers, but we mean the toiling masses, the whole citizenship of the commonwealth. All these must share an immense amelioration.

And that they can do this will soon be evident to those who are willing to adopt our grounds. They will soon see that political economy in our view is a dynamic problem, and not as in the old view a static problem. They will soon see that profits and wages will rise together and must infallibly rise with every improvement of man. They will see that wages are not a scanty pittance paid out of a limited wages-fund to be niggardly hoarded like the rations of a starving boat's crew in the middle of the barren Atlantic, but rather an increasing share of an elastic industry whose products to-morrow will always be greater than they are to-day. Wages are indeed no such reward of industry as are paid after rent, interest and profits have gouged a lordly share out of the products so that the more these harpies can secure the less is left for wages. Nothing of the kind. Karl Marx was altogether wrong when he thought and taught this, but on the contrary wages are paid before either rent, interest or profit, and these last are residual legatees of what remains after wages are taken out. The workman, therefore, has no quarrel such as Marx imagines with his employer in order to share profits, since they are obtained not from the workingman but

from nature, and are the result of the capitalists' power to make nature to give more freely of her abundance.

And more than this is true; nature will not work for the employer unless she be allowed to serve the workmen also. He could not afford the expensive machineries necessary to get nature to do anything for him unless the workmen also are ready to take a large portion of the product. The laborer as a consumer is necessary to the manufacturer as an employer. The workingman as passenger is necessary to the railroads as business. The millionaire could not steam from New York to Chicago by lightning train if the workmen did not fill the cars next to him. It is only the multitude that can pay for the most costly. For it is not the capitalists that make the community prosperous, but it is the consumption of the masses that makes both capitalists and community successful.

And here we reach the fundamental principle of our whole contention, namely, that economic science must be studied from the stand-point of the laboring classes, the demands of whose social life alone are large enough to furnish a basis sufficiently broad for the development of the future. Only their outlays can be large enough to call for that expansion of production which will make the prosperity of our coming civilization. And with that prosperity it will also be found that the masses have so advanced in general intelligence and strength of character that they have become the natural guardians of public integrity and political freedom.

We advocate then strictly human economics, no mere "Science of Wealth," which subordinates producer to product, (as if that were possible anywhere outside the pages of a book or the study of a theorist) but a science of human social improvement, whose knowledge has for its object the comfort and luxury of all men, whose purpose is to substitute abundance for poverty, social peace for industrial war, individual freedom for arbitrary

restrictions, comparative leisure for unmitigated toil, scientific progress for the hit or miss advance of ignorance, intelligent governmental direction for either meddlesome interference or systematic neglect.

Such a system alone, can be adequate to the needs of the times. The age is already in the hands of the Democracy, and only the satisfaction of the wants of the people, can give it stability. For good or for ill, the masses of mankind are rising to a position where they command the situation; Politics, Law, and Government itself, are falling into their hands and will be administered for their purposes. They will not hesitate to subordinate the few to the many, the rich to the poor, the capitalist to the laborer. They already have it in their heads to make a great and thorough revolution out of which they themselves shall reach abundance also, and comparative elevation.

And it is not their fault if they contemplate getting their own advantages at the expense of the comfortable classes. The leading political economists teach, that such is the only way, nor is it a wonder that their doctrines should give us Anarchists, Socialists, Nationalists, and the whole brood of ideal theorists, each with his own nostrum for righting the wrongs of his fellow men, each with a plan for so changing the order of society. Men's brains intoxicated with fuming desires for better things, create a thousand fantastic, but impossible methods for reaching desirable ends by short cuts, and bringing in a social millenium by vote of legislature, and decree of court. On every side we hear the plaint of the poor, the threat of the workman, the wail of the philanthropist, the protest of the dissatisfied, and lurid hints of what will be done, if things are not mended, and that right speedily; and wise men seeing the signs of the times, and thinking of that wild and impotent revolt, which historians call the French Revolution, shake their heads despondently, not knowing what the result may be. They fear that civilization itself, will at last fall a vic-

tim to its own progress, and to the demands of those who find their own share of it to be insufficient.

The SOCIAL ECONOMIST will endeavor to contribute to the solution of this situation. It believes in the Democracy. It has naught at heart in comparison with their interests. It does not imagine for a moment that the interests of poor and rich are antagonistic, since its democracy carries in its hospitable embrace the welfare of the community, believing that economic principles can make no distinction of persons. Oarsmen, steersmen, and passengers are all in one economic boat, and all must go one way together. We shall treat, however, the dreams of dreamers, and the whims of peddlers of social nostrums, with sincerity and soberness. Their visions are not all visionary. More can often be learned from the novel notions of a crank than from all the orthodoxies of a true believer. Orthodoxy is often only organized error, and defends its partizans from new truth, as well as from new mistakes. It keeps a man from receiving novelties of all kinds. And by the time that any system has reached the development which makes it a reigning orthodoxy its field is pretty well exhausted, and its contribution to the forward movement of mankind is small.

The notions of original and surprising minds are always the hope of the future, and to all these we shall lend an attentive ear. But we will not commit ourselves to fantasies. A better society cannot be invented, it must be evolved. The constitution of nature as already fixed must furnish the great lines of human advance. We may go far and fast along those lines, but he who would run off from these will surely come to disaster and defeat. The principles of human society are revealed in the history of human affairs. Indeed the history of the past is the only safe text book for the future.

The University and the Workingman.

BY PRESIDENT SETH LOW, OF COLUMBIA COLLEGE.

At first sight it may seem that the concern of the working man with the university is very slight. He is seldom found among the students, and the teaching of the university for the most part equips a man for self-support by brain work rather than by handicraft. It is, indeed, true that all cultivation of the human mind, even if few benefit by it directly, is of advantage indirectly to the whole community. But an indirect service like this is not clear enough to awaken a conscious sympathy with the university on the part of working men. There is, however, one side of a university's work in which the working man is as deeply concerned as any others. The business of a university certainly is to teach, and to teach truth. But, except in the exact sciences, like mathematics, the truth, as men know it, is liable to change. The poet Lowell has put this thought into beautiful words.

"New occasions teach new duties,
Time makes ancient good uncouth,
He must upward still, and onward,
Who would keep abreast of truth."

It is, therefore, especially the business of a university, because it is to teach, first of all to learn. In a university, consequently, men are always at work studying, in order to be able to teach. They study nature, and in so doing continually learn new and wonderful things about the human body and about the world in which we live. They study history, and in so doing learn the achievements of men in different places and in different times. From this record of human history men learn the lessons of

experience. They study literature, and so make acquaintance with the thoughts of men in all times. They study, also, the human mind itself. Especially they study the history of men living together in society; that is, in nations, in cities, in villages, and in all the relations in which men are thrown together. In all these directions the men in a university learn to look for and to expect new truths. They do, indeed, learn that human affairs are subject to fixed laws, like the laws of nature, but they also learn that there is a progress in the affairs of men not unlike the growth of a tree, so that these laws produce now one result and now another. Changes in the relations of men to each other are therefore to be expected. It is especially the business of a university to study these changes, and to ascertain, if possible, what they signify, and whither they tend. For example, the wages system is found by the student to be barely 100 years old. Coincident with the extension of that system is found the combination of capital into corporations and trusts, and the combination of labor into trades-unions and federations of labor. Nothing is more plain to-day than the struggles going on in society between these different forms of combination. Everybody is aware that the labor question, so-called, is the question of the hour. But almost nobody studies it dispassionately except the universities, and those who have in them the true university spirit, which I conceive to be the spirit of loyalty to truth, whatever the truth may prove to be. The employer looks at the labor question from his side; the laborer from his; the clergyman from the side of sympathy, the politician from the side of popularity. There are, of course, many individuals in all these classes who are able to rise more or less above this narrow view, but the attitude of the university, just because it is a university, should be to study this question from every side. In so far as it fails to do this, it fails of its duty as a university, because it takes a partial instead of a complete view. Of course men in a university are apt to be controlled by bias as other men are, but I think not as apt, be-

cause the whole atmosphere of the place favors the search for truth without reference to consequences. It is true that when the universities studied social questions by assuming their premises, they may have gone as far astray as when they studied astronomy by the same method. But to-day, social questions in the universities, like scientific ones, involve first of all a careful search for facts, and from the starting point of facts, if the view taken be large enough, there is not the same danger. It is not clear that the working men do not stand in need of the same change of method. Sometimes it has seemed as though their conclusions also rested upon assumptions instead of being based on a careful and comprehensive study of facts.

The working men, therefore, who are wise, should consider what is said in the universities on social questions. They cannot afford not to do so. If they do, they practically close one door which may open towards the light. Similarly the university cannot afford to turn a deaf ear to the working men. If it does, it deliberately shuts out a vast field, the truth in which must affect the final conclusion. In other words, it thus appears that the university and the working man, so far from being of little account to each other, are vitally related the one to the other. They should deal with each other in all honesty and frankness. But how? that is the practical question. How is the university to know what the working man thinks, and how is the working man to know what the university thinks? By reading one another's publications, and by every form of interchange of view which may prove to be possible. I should be pleased if this present publication should serve as one channel to this end. If Columbia can serve the working men through its library or in any other way, those who seek such assistance may be sure of a cordial welcome. At the very least, I should be glad to have it known by the working men of America that at Columbia College in the City of New York the disposition exists to teach the truth on all these questions, and only the truth, without fear and without favor, and we ask their aid to enable us to see the truth as it appears to them. The final conclusion may not be theirs, as it may not be that of any other class in society; but whatever we teach will be honestly taught, and taught only because it is the truth, "as God gives us to see the truth."

Benevolent Investment.

There is in the world a great deal of excellent sentiment which seeks expression in efforts to benefit mankind, and especially its poorer classes. This sentiment takes form in the establishment of all kinds of charitable institutions and movements such as hospitals, infirmaries, homes for the incurables, the aged and the infirm ; relief associations of every variety, and all the results of modern benevolence.

We recall a pleasant spring day, when standing with Judge Brinkerhoff of Ohio, in a large open square at Columbus of the same state, surrounded by asylums for various objects—the insane, the deaf and dumb, the blind, the wounded, &c. The Judge swept his hand round towards a group of imposing buildings and said, in a tone of civic pride, “All these, representing millions of money, were created solely to alleviate the suffering of humanity, not one connected with war, (it was before the war) or destruction. It makes me proud of the commonwealth.”

And though since then we have had many institutions springing from needs arisen out of our civil broil now happily over, yet it is still true that a distinguished feature of our time is its devotion to works of charity and mercy.

So far is this true that our churches, ceasing in a measure from barren theologic strife, are becoming centers of benevolent activity, devoting their energies to alleviating woe in forms more substantial than those of mere good wishes and pious consolation. The appearance of such a departure from the usual type of religious body as that of the Society for the Promotion of

Ethical Culture intent upon human ends, is but the most emphatic evidence of the spread of a desire to be of some visible benefit to general humanity. And on every hand we are constantly running against new societies having the welfare of certain neglected classes in view, and standing as it were at the corner of every public place, hat in hand, to solicit alms from the passers-by for their various benevolent purposes. Women devise fairs, for which they make embroideries, fine cushions, book marks, and photographic cases in countless numbers, and a large part of our wealthy young ladyhood is engaged in working the machinery of excellently intentioned enterprises.

We have of course no fault to find with all this from a sympathetic point of view, but those who have made benevolence and charity a study have been brought to a pause in their enthusiasm by learning that their charity makes beggars as well as relieves them, and that there is no more hopeless idler and vagabond than the man or woman who has learned to get a living without work out of the hands of the charitable. He becomes a hypocrite, a liar, a bully and a loafer for life, and worse than this, his success is a positive injury to the hard-working and useful laboring man, whose daily income from wages is often less than his own. Charity is thus found to ruin the objects of it in character, and to threaten the demoralization of a class as yet too independent in spirit to be willing to resort to it, even under a stress of pressing need.

Besides this, charity breaks down in its own province from the fact that it is not self-supporting. It is based upon the principle of giving something for nothing, and does not expect to live on its own productive industry. It is a science of administering gifts, and all its elaborate machinery is nothing but an effort to get somebody to give gifts. Its solicitation is really a public begging by respectable people for objects of interest to themselves, and it really begins by transferring medicancy, from medi-

cants to a larger field and more remunerative. Concealed under the name of benevolence the true nature of these charitable solicitations escapes notice as being an effort to get something for nothing (which is the keynote of all dishonesty), on the ground that somebody needs it. That the begger is a corporation or a church, or a nunnery, or a society whose begging is not for itself does indeed make a certain difference in the social and moral effect of the act, but as it makes no difference to a dead man whether he was killed by an accident or by a murderer, so it makes no difference in the economic effect of solicitation, and getting something for nothing, whether the begging is done by a beggar, or a society. The result is still demoralizing to a certain degree.

There is no doubt a luxury in giving, one never feels so sublimely virtuous and self-satisfied as when he has contributed out of the fullness of his heart to the relief of the suffering and the destitute. And nothing has been so deeply and sincerely praised from time immemorial as generosity to the poor. One hesitates to call in question a sentiment so lovely, attractive and time-honored as this. The finest character seems to culminate in a liberal hand and a pitying heart. Nor do we criticise this in any way. We only criticise the form of giving which the sentiment takes, and ask if there cannot be found one better and less injurious to the organic interests of society. And this brings us to our proper subject, that of benevolent investment.

We believe that an ideal benevolence should possess the following five characteristics:—

(1). It should be self supporting so as to be perennially beneficent. (2). It should not be detrimental either to givers or receivers. (3). It should stimulate the recipients of it to raise themselves in social position. (4). It should consort with the organized movement of society. (5). It should not supplant incentive to personal industry. And it is with these objects in view that we have proposed our title of benevolent investment.

It is evident that such great organized benevolences as hospitals, blind, deaf and dumb asylums, and the like already meet all these conditions except the first, that of being self-supporting, and they also in most cases attempt to fulfil that condition in a certain measure. Certainly they have no tendency to injure society by increasing the number applying to them for help, since no man wishes to be wounded or sick, because there are hospitals to assist his recovery. Nor does it tend to increase the number of blind, or deaf and dumb, or orphans that there are institutions for their relief. They are, therefore, free from the greatest of the evils to which we have referred above, and may expressly be excepted from all fear of general abuse. They are not properly subjects however for experiment as investment, since it is only possible to organize what we here call Benevolent Investment in matters which consort with that organic development, which means the increasing wealth of society. We describe these as investments, because a natural return or interest will flow from them, and we describe them as charity because the benevolent spirit or a desire to benefit the poorer classes is the impulse which suggests the kind of investment.

And of these the first we have to mention is the better housing of the poor. This is a subject already mooted in Mr. Riis' book on "How the other half lives," and has been often mooted elsewhere. It has also been practically put in operation, notably by Mr. Peabody in his model lodging houses in London, and in some cases in New York. Prof. Adler has further enforced the same idea in his Sunday lectures. The notion is far from new therefore, but what we have to say about it may not be altogether old. It is well known that many of our citizens are wretchedly housed, and that they suffer all manner of miseries in consequence. They are obliged to be filthy, to breathe bad air, to neglect decencies, to lose self-respect and endure many dangers to life and health in their crowded quarters. Old rookeries

swarming with vermin, and fit only to be torn down, are crowded with men, women and children, and stand at once as a reproach and rebuke to the narrowness of our civilization. And since the degradation of one class is the injury of all, such conditions call on us loudly to organize an advance.

But since what is everybody's business is nobody's, there is need for a special organization to attend to this matter, and our proposition is this.

Let a syndicate be formed of people having money to give and desiring to dispose of it in charity, whose object shall be to buy the worst tenement house property, tear down the old buildings and erect in their places large, commodious, well-arranged and well-lighted structures, fitted with elevators and modern improvements suitable to the wants of the working classes. These houses shall then be rented to applicants not, as Mr. Riis suggests, on a basis of "philanthropy and five per cent." but at the best market rates obtainable in such a neighborhood, whatever they can command, using the same discrimination which money-making landlords use in their own selection of tenants. Of course these tenants would not be of that lowest class of the population whose relief is the first object of the charity. By no means. *They* would not be able to pay the required rent, nor indeed any rent. They would not be able to make the charity remunerative. But the tenants would be the very best class of the people who live in that vicinity, and the existence of such houses might even draw in a better class from other quarters. But the new dwellings being larger, as they should be, having more rooms and housing more families, would remove the pressure from the worst of the old quarters to a certain degree, and cause first, a lowering of the rent, and finally as the building increased, a vacation of the others until it became unprofitable for landlords to have wretched structures on their land. The reconstruction of the whole neighborhood would then be only a matter of time. What is unprofitable soon digs its

own grave, and bad houses will do this as quickly as other forms of loss.

This erection of better apartments would further set on foot a social and structural movement which would eventually reach to the lowest stratum of society, as the removal of pressure from above gave room to the classes below to spread and improve their surroundings. Not more surely does the removal of a shovel-full from a moderate heap of sand compel a readjustment of every particle of sand to the whole, than will the appearance of these new structures cause a readjustment of all the relations of any given neighborhood. And the rustle and scramble of each to get the best of the new situation is possibly the most wholesome and important of all the results of the new structures. For this scramble is the expression of a desire for improvement, which being encouraged carries in its train the uplifting of the whole social group.

We would make a social stir, and the social stir is in fact the chief good possible. For the moment a social stir arises in any class towards a better condition, the class will not rest until it has attained the object of its desires as a class, and henceforth the welfare of that class is assured. And herein we find the superiority of this object of benevolence above most or all others, in that it is almost certain to create a social stir, a good house being a perpetual provocation to envy (a quality whose social value has been unduly depreciated) among neighbors, and a perpetual incentive to its denizens to live up to it.

Now the revenue of these houses could be returned to the Syndicate to be used at their discretion, just like the revenue from other property. They might either apply it to new buildings, which would make the charity as continuous as it was self-sustaining, or they might even at the outset turn it over to a Board whose object would be to repeat the same function indefinitely. Of course this last is objectionable for two reasons, first

that it dislocates the movement from the ordinary progress of any given day; and second because such organizations are always becoming centers of selfish, irresponsible, expensive administration ill-adapted to the purpose for which they were designed and incapable of doing better. The ancient English charities whose uses have become ridiculous with time are a sufficient warning against all such efforts for perpetual endowments. Sufficient for the day are the charities.

Mr. Alfred White of Brooklyn is reported to have pursued the method above advocated. He has erected fine tenement houses with all the sanitary and comfort-giving arrangements of modern invention, and is said to have made them at once benevolent and profitable.

Still another investment, to which the attention of the charitable may properly be directed, is the provision of places of amusement in the poorer quarters of the city with low entrance fees. This form of charity has already taken root in London, where, as suggested by Mr. Besant in "All Sorts and Conditions of Men," such places of resort as the Palace of Art and others are opened at a low price, and are well patronized by the poor, giving to their life a color and sense of enjoyment hitherto entirely wanting. Of course such amusements must be provided as will suit the lower class tastes, otherwise people would not go. And they should be conducted on the principle of being as profitable (within moral lines) as the circumstances of the situation will permit.

It is difficult for the comfortable to realize how terribly the poor suffer from the ennui incident to their condition, from the utter absence of anything to relieve and diversify their treadmill existence, or kindle the imagination. Amusement will elevate and stimulate where all the moral lectures of the world would fail to do either. The kindling of the imagination is electrical in

its force toward improvement, and that faculty is best touched by novelty, pleasure or romance. In no other way can so much good be swiftly done. The dull custom of relegating the poor to the depressing drudgeries of earning a living is as heartless as it is useless for good. Confined for amusement to the gossip of the street-door step, or the saloon, it is no wonder the slums do not improve. Possibly cheap amusement would pay but a small part of its expenses at first, but it would meet the fundamental condition, that something should not be given for absolutely nothing, and yet that something better should be provided than the poor themselves are able to command. The light-heartedness and genial temper which pleasure produces in men would naturally follow the patronage of such places of amusement, increasing as time went on, until much of that surly temper which makes a lower-class laborer beat his wife for variety, or kill a friend over the cards would cease. Irritability is one product of the nervousness which monotony produces, and to banish ill-temper from any class of mankind would be a permanent and priceless addition to their happiness. Besides this, a place of amusement tends to draw away the men from saloons, and give them the same amount of nervous exaltation which they have been in the habit of getting from drink, and which seems to be a periodical necessary to many people, from new and more wholesome sources. In fact the moral amusement business, into which the Sunday Schools have run, is but an effort to take advantage of the natural benefits arising from pleasure for the improvement of the human race.

If with amusements, cheap libraries were also widely established, one would find society rapidly on its road to a better condition, since education and pleasure are really calculated to make the most of mankind. They are especially needed in the city of New York, where there has been so little provision for instructing the masses of the population after the days of schooling were

over. But if children are worth teaching to read, growing men and women are worth giving something to read in order to make their education valuable at its most vital point. To give a boy a box of tools and leave him without material to use the tools upon is dangerous to the chairs and tables. There should be in the City of New York from twenty-five to fifty different branches of one great public library, with a comfortable reading-room attached to each, and the daily papers, and an opportunity for getting books. These should be scattered about the city, especially in the poorer quarters, in such a way as to make them easily accessible to all classes of the population. An incredible number of boys especially would be saved from vagrancy, running the streets and wasting their leisure in dog fights and low-lived dens, if reading rooms were opened where they could get the books they like; in fact nothing could be better for the rising generation.

The habit of reading must be established in early youth if it is ever to become fixed. It is like the habit of playing musical instruments, in that to make it pleasant, one must begin young. As for the chance of receiving new ideas from books, the mere habit of passing one's time with the printed page instead of some active but aimless pursuit, will unexpected lead to improvements. These reading-rooms could be readily brought under our title of charity investment, by charging a small fee per month, say five cents, and a natural rise in public taste would make them profitable as time went on. They furnish charity of an organic sort, whose benefit to society is steady, permanent, without injury to giver or receiver, and tends to produce a social advance of those in whose vicinity they are established.

Our third benevolence would be, to encourage the kindly-disposed to spend rather than give, and in the direction of their tastes. It is always better to buy than to give, and to demand something of the beneficiary in return for the benefits which he receives. We here reach the principle which differentiates moral

from immoral effect in the distribution of money; since the result of giving is always to a certain extent to demoralize; and the result of buying is always to elevate and inspire. Therefore a large expenditure is in a way a work of benevolence which no direct charitable outlay can ever possibly hope to rival. There is always a great outcry against the lavish expenditure of the wealthy classes as being a baneful extravagance, and nothing is more common than heated diatribes upon the luxury and self-indulgence of the rich. In fact so grave and colossal an event as the fall of the Roman Empire has even been laid to the reckless luxury of the Roman patricians, as if one should lay the force of a tempest to the straws carried in its blasts.

But how mistaken is all this! The expenditure of money upon luxury is an encouragement to the production of fine arts, and of the finest goods of all sorts. Painting, statuary, jewels, fine clothing, tapestry, inlaid marbles, delicate carvings, all the works of taste are in fact nothing but the expression of a nation's attainments in thought refinements instead of extravagancies. It is the duty of the rich to buy them, for in no way can they encourage more laudable industries, or the creation of things which redound more to the glory and honor of a nation. It is the lavish expenditure of Americans which has made America what it is, and it is the same lavish expenditure which keeps at work all industrial classes, giving them at once the means of life, and elevating their own standard of living by the sight of things refined and elegant. Generosity of outlay is the life-blood of improvement. There could be nothing that would sooner arrest the tide of civilization than were the rich to become miserly or even frugal, since thus the developement of varied and high-priced industries to satisfy their wants would be arrested. We think any man to be always justified in spending as much money as his means will permit for any object not positively vicious, which may attract his attention. Of course some objects are far more

beneficial to mankind than others. The man who spends in building a railroad through an unsettled part of the country adds more largely to the national resources than a man who spends in buying a picture or a diamond, on account of the productive nature of the railway; and such enterprises as minister to human well-being are of course to be preferred. The outcry against great capitalists who by buying or constructing great public works come to count their wealth by millions, is really one of the most ill-based and ignorant outcries possible.

But as we said there is a marked difference as to the form which lavish expenditures may take, and it is the direction of the expenditure to which benevolence should draw attention. One might fill his town with works of art, as the Medici did the city of Florence, and still be very far from affecting deeply the condition of the working classes. This was the expenditure of an aristocracy, which fine and memorable as it is, adorning a city with works of art which make it illustrious to the end of time, is still feeble in its scope, scarce reaching to the mass of the citizenship.

Now it is for the benefit of the democracy at large, that the expenditures which we call benevolencies should be undertaken. One of these might be the establishment of new industries which would not be deemed profitable in the ordinary course of business. There are many employments in foreign countries, many industries of works of taste and usefulness, already developed in various parts of the world, which might be transferable to our country on a small scale, but would not be especially profitable at first. These do not tempt the ordinary investor, nor induce capitalists to embark upon the experiment of establishing them for the sake of gain. But nevertheless they would be investments in which some people could be employed and supported at the cost of those who are willing to apply part of their means to benevolent works. These industries carried on at first at a cost, eventually become

sources of perennial support to numbers of people, and then would become profitable. In that way a greater diversification of industries would take place, which would be highly beneficial to the social development of the people, since diversification of industry is really progress in civilization; so that benefactors applying their money after this fashion would not only have the satisfaction of putting to work a certain number of persons, but would further enjoy the distinction of having added to permanent general welfare. The outlay of the money as a charity at first, would result in a permanently profitable employment to a large section of their countrymen.

Another organic charity would be, the establishment of industrial schools for children on a wages basis. In fact children are always best worth redeeming, and can always be redeemed by putting them to work at once useful and entertaining. Schools either simple or skilful industries might be opened, in which the pupils should be paid for work done at school at market rates, at a tender age in which they are fit to be taught something permanently useful. This is a wide field and would easily cover a large area of human industry. Instead of a life of aimless vagabondage, such as poor boys are always inclined to adopt, these children would be directed in their youth towards a life of industry and profit, and from their labor might even start out with a little capital. Here, perhaps, is the largest and most important of all charities, and the one which would be of greatest value to the commonwealth. These too might be at first non-dividend paying, but under good management would eventually command profits as numbers large enough to pay a percentage on the investment would eventually attend until they grew into establishments whose stock could be quoted at a premium. Everything of the sort though charitable in intent should be managed as business, the money profits of the enterprise being left to flow to whomever they might concern,

since the eventual benefits would be sure to recur to all classes in the elevation of public tone and the organic advance of society.

We have thus rather hastily sketched out a series of applications of money by the benevolent which would not be only productive of great good, but would enable their works to sustain themselves among the conflicting interests of mankind by the money arising from their use. The effect would be to enable donors to continually increase the measure, extent and variety of their gifts, and would serve also to connect the higher and lower strata of society together by a method of common interest, which is the natural and most useful method. They might not, strictly speaking, be classed among charities in the ordinary sense of the term, inasmuch as they contemplate a return of the money which is invested in them, but since a benevolent spirit is allowed to guide it is clear that the objects of charity will be reached; and kindly impulse will suggest many means useful to the community, which otherwise might not occur to men simply looking for an investment for their money in a profitable, though not more profitable business investment.

The Silver Question.

BY PROFESSOR A. B. WOODFORD.

I.

The Silver Question is in politics. A problem in applied political economy depends for its solution, in part at least, upon a supposed party exigency. A question in ethics is to be decided by a showing of hands. It is certainly the duty of THE SOCIAL ECONOMIST to present the economic principles and conditions, and also the ethical considerations involved. A question affecting the relation of thousands, and it may be the industrial welfare of the whole community is to be determined by the vote of a body of men, many of whom are more or less directly interested pecuniarily in the result of the ballot. Is the dollar appreciating or depreciating? How can Congress best permit either? And finally if silver is to be "reinstated" in its dignity (?) as a money commodity is there good reason for selecting the legal rate of a century, since which was then urged by Hamilton simply because it was the market rate? Does this historic ratio best conduce to the stability of the dollar, and the maintainance of equality between debtor and creditor? In view of the manifold complications, party prejudice and unscrupulous methods, honest though erroneous conviction, and the personal pecuniary interest of those having authority and power—from the very nature of the case—it is clear that economic laws may easily be disregarded, the principles of sound ethics forgotten and the plain teaching of history again neglected; that for one reason or another, or even without

reason, our law-makers may undertake another experiment in currency regulation. What should be our position when the subject is presented for our decision at the next Congressional election?

Prominent among the arguments in behalf of the free coinage of silver dollars stands the plea of justice. Our present legislation is unfair to the white metal. Silver, it is urged, should be restored to an equality with gold. It is even claimed by some that silver was dishonestly demonetized by clandestine legislation in 1873. In any event it is now most unjustly excluded from performing its proper function in the field of money. But what constitutes equality? And will the free coinage of the $371\frac{1}{4}$ grain silver dollar with the issue of Treasury certificates therefore secure a restoration? Equality and restoration are both matters of experience in our own history. It may therefore conduce to an understanding of the animus of the present discussion, and also facilitate an analysis of the existing condition if the past is briefly reviewed.

In the law of establishing the mint of the United States the equality of silver to gold was fixed at the ratio of 15 to 1; that is to say, it was provided that every fifteen pounds weight of pure silver should be, to quote the law of April 2nd, 1792, of equal value in all payments with one pound weight of pure gold, and so in just proportion as to any greater or less quantities of the respective metals.* The silver coins which the director of the mint was authorized to issue were to contain fifteen times the proportional weight of pure metal in the gold coins. In a word bimetallism was adopted when the coinage system for the whole country was first regulated under the constitutional power to coin money. Moreover bimetallism was maintained down to the war of 1812. Nor are the reasons for the adoption and the preservation of the policy far to seek. Both kinds of coin were needed in considerable quantities, and only small amounts of either were forth-

*Statute at Large I, 249.

coming. As Hamilton said in his report on the mint in 1791, if gold be most convenient in large payments, silver is best adapted to the more minute and ordinary circulation. The two did not compete, for there was not enough of either to do the work for which each was specially qualified. Coins of every description, Spanish, Portuguese, English and French, of varying value and of various values, commercial and legal, in different parts of the country, all were needed and used. A uniform currency was almost essential to industrial security and development. Morris had long urged it. Jefferson had striven to provide the practical means. Yet for years the mint could not supply a sufficient quantity. Only small amounts of bullion, gold and silver, were brought to the mint, and these were coined at considerable expense. Gold and silver coins of necessity "circulated concurrently." It was found necessary repeatedly to extend the period during which foreign coins should be legal tender in payment of debts. The money supply was still inadequate. Free coinage of both gold and silver has been adopted; that is to say, it was lawful "for any person or persons to bring to the said mint gold or silver bullion in order to their being coined." Coinage was not only free to all, but it was gratuitous, provided the holder of bullion would wait until the work of coining was done, priority of delivery, determining the order of the work. Under this law the coinage was as follows at the end of each five years to 1815 and for the period 1792-1833.

	Gold.	Silver
1794-5 to 1800	\$1.	\$1.5
1794-5 to 1805	2.6	2.
" " 1810	4.3	5.
" " 1815	5.6	7.6
" " 1833	11.	36.

The amount per capita in 1830: gold \$1.00; silver \$3.00. After the war of 1812 the coinage of gold declined while that of

silver greatly increased. Prior to the year 1829 the amount of gold coined in any one year did not equal the average of the five years preceding the second war with England, save in the single instance of the year 1820, when a large amount—\$1,319,030.00—was coined, mainly for the Bank of the United States to meet the drain for export which was occasioned by the resumption of specie payments in England.

The vital point to understand and keep ever in mind is that the legal or mint and commercial or market rate did not materially differ between 1792 and 1812. Equality practically existed. Before 1820 they did differ. Disparity appeared and gold was no longer used in part at least because of this disparity. Hamilton, the ardent bimetallist, urged in 1792 that in a country situated as the United States was to try to maintain any material difference between the value of the metals in coin and bullion "would in all probability be a hopeless attempt." He therefore counselled that care be taken "to regulate the proportion between them with an eye to their average commercial value," recommending the ratio of 15 to 1 as that most likely to meet the condition of trade with England, to facilitate the payment of the debt in Holland, and in a word to make bimetallism possible. When the legal rate failed to meet the conditions of industry and trade a change in the law and the coinage system became necessary if bimetallism was to be maintained. The equality had vanished. Restoration was required, and it was demanded then for the same reasons, and urged by the same interests as it is to-day, the difference being that then it was gold coin which needed restoration instead of silver as at present.

Gold was restored and that most effectually by the act of June 28th, 1834. In March Mr. Benton had submitted a resolution for a joint committee to report "what alterations, if any, are necessary to be made.

1st. In the value of the gold coined at the mint of the United States, so as to check the exportation of that coin, and to restore it to circulation in the United States.

2nd. In the laws relative to foreign coins, so as to restore the gold and silver coin of foreign nations to their former circulation within the United States. Congress, with great unanimity of opinion, passed the bills submitted. The vote in the House stood 145 to 36, and in the Senate 35 to 7. By this act gold coins were lowered to the basis of 23.2 grains to the dollar. $\frac{2}{100}$ of a grain was added by the act of 1837 to reduce the coins to the 9-10 standard. By the latter law, too, the gross weight of the silver coins was made $412\frac{1}{2}$ grains in the dollar instead of 416.

The equality was now fixed at 16 to 1 consequently. This was too high. How far this was an error of judgment, however, on the part of honest bimetallists; how far it was a desire to protect gold mining interests in the Southern States; how far it resulted from the dishonest desire to debase the coinage and lower the value of a dollar, to scale down debts; how far each and all these operated in leading Congress to accept the ratio it is impossible to determine. The bill undeniably debased not only the gold coins, but the coinage. Benton replied that the debasement was too trifling to be an object of exception. It was urged that the prepared ratio, 16 to 1, was quite as disproportionate as the one existing under the old law, 15 to 1, and that it was greatly to be apprehended that silver would disappear and be replaced by small bills. Webster replied that had any evil been imagined the rate would not have been recommended. Motions in this as in most instances were mixed. Their analysis is exceedingly difficult in the particular instance. Well nigh impossible for the whole body of legislators. Certain it is, however, that Jackson's fight with the bank had entailed on the Government some effort at regulating the deranged currency. The determination to secure a specie currency was a prevailing force in the situation.

It is also certain that this result was achieved. Silver was undervalued, and good silver coins were seldom seen in circulation. Says President Andrews:* A lively business was done at buying up the dollars (half dollars and quarters rather) from ignorant holders and selling them as bullion. The inconvenience was so great after 1848 and the greater disparity resulting from the increased supply of gold that the smaller silver coins were made subsidiary by the act of 1853. At this time only 43 million dollars' worth of silver had been coined while the value of the gold coinage had reached 225 millions. Gold had not simply been restored, it had been substituted. Will free coinage restore silver or substitute it and place the United States in the scale of silver-currency countries? What is the equality which is essential to restoration?

This glance at the history of our coinage laws of 1792 and 1834 and the subsequent history of our coin circulation give us some light in answering the question. Equality can exist only when the mint and the market rate do not appreciably differ.

Restoration can be successful only when this equality is secured. The question of economic policy then is a practical one of existing conditions; of trade, foreign and domestic; of industry in general and mining in particular, here and elsewhere; of currency legislation, national and international. For practical purposes of legislation these must begin with the period 1871-3 and its important legislation, discoveries and international disturbances.

*Institute of Economics, p. 204.

The Social Question.

AS SEEN IN MAGAZINE LITERATURE.

It is one of the hopeful signs of the times that industrial and social questions are beginning to occupy the serious attention of the intelligent classes, as a glance at all our magazines will show.

"Henry Edward, Card. Archbishop," which is high ecclesiastical for Cardinal Manning, in the *Nineteenth Century* in an article on "Irresponsible Wealth," repeats the customary and impotent jeremiad of modern writers on the drift of people from the country to cities, and the consequent abandonment of the land to large proprietors to "the extinction of the smaller freeholders, the yeoman, the statesman! and the like." One reads the same thing in our own journals concerning the abandonment of New Hampshire and Connecticut farms, and a so-called decay of agricultural interests.

One often wonders if such writers ever really think of what they are saying? Do they imagine that a movement from the land to the town of masses of men can be caused by anything whatever, except the fact that people better their condition by the change? Have they ever reflected on the long and silent drudgery of farming industry, its dismal monotony, its scanty returns, its ignorant isolation, its lack of all that improves, refines, stimulates? Are they still of the notion that country life is anything like the idyls of Theocritus and other city writers? We could wish for one of these scribes nothing worse than that he should be compelled to pass a summer and a winter in farmers' hard work on the vast shoulder of a New Hampshire hill, or the bitter fields of an English fen. It would completely cure him

of the thoughtless habit of wishing his fellow men to endure such hardship and such deadly social conditions. Not the rustic but the citizen is favorably situated and carries the future in his hands, and the people are beginning to know this, and to endeavor to share the life of the town. And they are wise and well-advised to do so. This same Cardinal goes on to lament, further, the growth of inequalities in the comparative wealth of different classes. He evidently thinks "the rich are growing richer and the poor poorer" at the same time, impossible as such a movement is except among robbers and predatory communities. And he goes on with the usual diatribe against the employers and the usual recital of the miseries of the working classes, "who live always on the brink of want," because of "the despotic avarice of capital." Do such writers never recollect that an Indian tribe, where there are no capitalists, is often almost exterminated by famine in a severe winter, just as a flock of quails or partridges is and for the same reason, because they have no capitalists. Every poor man in London or New York—yes, every tramp, vagabond, and sot is safer to live somehow, have a bed at night and a meal a day, and a suit of clothes, than is any Indian in a state of nature before the rich became rich. Where all are poor the poorest perish. And any tenement house lodger has more comforts than the independent vagrant of the plains in a birch wigwam. And among us the rich become richer only where the poor also become better off. It is impossible that it should be otherwise. But our Archbishop can give his readers after all no better counsel to meet the case than to go and do more charity. Give, give, give! He quotes Dives and Lazarus, and "go to now ye rich men, weep and howl for the miseries that shall come upon you," etc., and advocates "self-denial, generosity, personal sacrifice," as if the only help were to come from that quarter. As if charity were adequate to the task, and as if it did not make beggars and rogues faster than it relieved them!

There is but one force adequate to the task, and that is a new method of economics. Shorten the hours of labor for laborers and three-quarters of these unemployed will at once get work to maintain the usual supply of goods. Enforced idleness is the cause of their misery, and to give them work is the remedy. Keep them in work and they will consume more, which will require larger production, which will lead to more work, which will take up the remaining surplus of population, and cheapen goods to the level of the poorest. The evil of all evils is enforced idleness, which charity tends rather to increase than diminish. Let the rich not give more, but spend more, set on foot larger enterprises and more of them, employ their wealth, not give it away, and then there will be some chance of ameliorating the lot of all the poorest. "The chivalry of self-denial" will do nothing adequate, the extravagance of luxury will do a thousand times more. A "charity ball" will net a few neat thousands, but a single new factory will support a thousand families for a whole life time. More work, profitable for all parties, will make all prosperous, and nothing else will.

Our well meaning "Henry Edward, Card. Archbishop," goes on to say "a plutocracy here in England would be our ruin." Bless your innocent soul, dear Cardinal! you have one already, and your sagacious church is as zealous for the conversion of a millionaire as her prelates are for a cardinal's hat. But plutocracy though there be it doesn't ruin everything. A priest who is calling on men to cure poverty shouldn't rail against wealth, for the only cure for poverty is wealth, and a plutocracy is only a lot of rich men in power. Now, if only the poor could be made rich would not the evils you complain of disappear? Go to now! hadn't we all better be trying to get rich then? It would seem so certainly. And if we became a "plutocracy" in that way perhaps we could bear it. And perhaps, the Catholic Church whose Card. Archbishop you are, would graciously consent to

take some of the general wealth if pressed upon her, for excellent purposes of course. At least she always has taken it heretofore. And it is by grace of that, that it is now so much to write oneself "Henry Edward Card. Archbishop" instead of plain Henry E. Manning.

"It is not always the fault of the post if the blind man does not see it" says Mr. Cunningham Graham in a recent article on Idealism and the Masses, in the *Nineteenth Century Review*. By the blind man is evidently intended the Englishman of leisure, and by the post it is equally clear that the masses of the English people are symbolized.

Whether the metaphor be a felicitous one or not—the truth which he endeavors to express by it is well worthy of attention, and that is that the masses not only have an ideal but that their idealism is actually nobler and broader than that of the classes, who, up to the present era, have been the representatives of science, religion, art and culture, and who have had the controlling influence in church and state.

The ideal of the Greek philosophers was personal intellectual grandeur, that of the Saints of the Middle Ages was personal spirituality, that of the British aristocracy was personal political power, wielded solely to maintain in comfort and affluence a privileged class, while the idealism of the masses of this nineteenth century civilization is one which demands wealth, intelligence, culture and morality for the many.

The writer depicts with delicious irony the apathy of the laboring class towards existing institutions. As for the church, he says, "In all ages the ideal of the poor has been good works. Faith has been the *luxury* of the rich." Speaking of the Salvation Army, he says that as long as it boisterously called together for devotional purposes excitable people always ready to come to Jesus at 10.30, it accomplished but little; but when it began to do

"slum rescue work," and to make hell unnecessary by making life happier, then it became a success. Up to the present hour church, state, and society have tolerated poverty, they have proceeded on the assumption that it must in the nature of things be perpetuated to the end of time. All habits, laws, customs, institutions and religions have been based upon this damnable hypothesis, but the masses have now begun to assert a higher ideal, a religion of humanity, a fraternity of wealth, a material basis of human well-being out of which shall spring in due time a happier humanity to every member of which such words as love, freedom, and justice shall become intelligible terms. The object of trades-unions, according to the writer, is the emancipation from poverty of the workers of all trades. Speaking of leaders he says "the working classes neither desire nor look for leaders. Hero-worship has been the destruction of the masses in the past." The enfranchisement of the laboring classes, this is the war-cry of the nineteenth century.

Such in general terms is the spirit and tenor of the article referred to and though serious objection may be made to some of the writer's assertions, such for instance as that "the working classes neither desire nor look for leaders"—and that the ideal of the poor in all ages has been good works," still with proper modifications even these assertions may be found to contain a large element of truth. The working classes do not need leaders in any antiquated or medieval sense, but they do need—as men have always needed—teachers capable of giving them a knowledge of the laws which underlie all industrial and social movement.

As to the assertion that good works have been the ideal of the poor—if he means that to have the wherewithal to do good works has seemed to them the consummation of human happiness, and that those alone can have faith or belief in God, who have been highly favored by him in this world, then he can certainly adduce much proof to substantiate his position. It was a very

wealthy man who said "The Lord is my shepherd, I shall not want." Poverty is the most Godless thing on earth, but it can only be reduced by the harmonious co-operation of all classes which can best be brought about by the dissemination among all classes of sound doctrine.

In an article on Americanizing English Institutions in the *Nineteenth Century* magazine, Hon. Joseph Chamberlain advocates the introduction of the new custom of our House of Representatives of limiting debate on complex measures to an arbitrary number of days as the only method for getting public business dispatched. It is evident that the new needs of an industrial era must compel the adoption of new methods in our Houses of Legislation, if anything is ever to be done. Legislation on industrial questions requires special and detailed knowledge of the interests involved. No reference to general principles such as sufficed for the guidance of earlier times will answer for the present. One is almost inclined to believe that there must come a differentiation of Houses of Legislation into several branches, such that one, shall consider financial questions exclusively, another industrial questions, another political questions, and still another inter-state and foreign questions. Indeed, something like this is already happening as it should. The different committees are becoming authoritative in their several departments, and the recommendations of their majorities adopted by their party are passed under a rule of closure long before everybody can have his say upon them in the full House. Speaker Reed certainly deserves public thanks for his bold and successful initiative of this procedure, which is becoming daily more necessary to the conduct of public affairs. It is quite impossible for a large body of men to debate and settle any great question, especially in a room where no speaker can possibly make himself heard by half his audience, and since the habit of printing

everything, and about everything has become universal, it is idle to make believe that opinions are to be formed under the rambling discussion of a public debate. Statesmen should be expected to read, and form their opinions on their studies to a great extent. Indeed, it would seem to be wise for legislative assemblies to discard a large number of cumbersome practices derived from illiterate days, and frame their rules on the presumption that members will read everything and be ready for the last and decisive work before entering the House. Public instruction by the speeches of members to their fellow members is no longer desirable nor possible.

Political Labor-Parties.

It is a striking fact in social history that man has always endeavored to deal with more complex problems and undertakings before learning to understand simpler ones. The human race devoted its energies to solving the problem of the universe ages before it learned to furnish itself with the ordinary decencies of life. It tried to find out God before it made any serious effort to understand man and his relations to his fellows.

Nowhere is this tendency more prominent than in the domain of industry and politics. Most people would be reluctant to assume the responsibility of solving problem in astronomy, chemistry, or mechanics without some acquaintances with those sciences, but not so with economics and government. When the industrial or political machinery of society gets out of order the most ill-informed and least experienced citizens feel fully competent to deal with it. Nor does the complexity of the subject dismay them in the least. They are usually quite equal to the task of abolishing existing institutions and furnishing new ones. Indeed, the less they know of the subject the more ready are they to give us an entirely new social structure. The land question, which has long been a perplexing problem to careful economists and statesmen is as nothing to Mr. George and his followers. They would abolish poverty and establish equality and freedom at a single stroke simply by passing a law to confiscate the rent of land. Mr. Bellamy and his friends, who show still less acquaintance with economics, are ready to reconstruct our whole social system on equally short notice.

Another instance of this tendency is seen in a prevalent

eagerness for organizing political labor parties, which is one of the prominent features in the labor movement. The permanent and persistent labor organizations which have steadily developed with the growth of modern industry are trade unions. These organizations are usually composed of the most intelligent and characterful laborers in the industry represented, and in most cases only comprise a small proportion of the whole number employed in that industry. The reason for this is that a small proportion only have a sufficiently intelligent interest in the industrial and social welfare of their class. It is also a matter of universal experience that in efforts to secure higher wages, fewer hours of labor, or other measures of improvement, those who assume all the trouble and expense of sustaining the organization, have to stand the brunt of making the new demands, frequently without the expressed moral support of the majority of their class. But when a crisis comes the unorganized and previously indifferent portion of the class generally spring to the front as with a single bound demanding the adoption of a revolutionary political program. This has been frequently exemplified in the history of the Knights of Labor whose leaders habitually endeavor to cover their uneconomic and often disastrous performances by making socialistic demands for the state ownership of industry.

Perhaps the most striking illustration of political labor party efforts is the Farmers' Alliance which has recently absorbed the Knights of Labor, and threatens to make and unmake our political and industrial institutions at will. The economic character of this new movement is revealed in its platform of demand which includes (1) The abolition of national banks, and an issue of U. S. Treasury notes to be loaned at two per cent. as indicated in the Sub-Treasury plan. (2) "The free and unlimited coinage of silver." (3) The restriction of the ownership of land by railroad and other corporations to that which is actually needed for the transaction of their particular business. (4) The restriction

of revenue to the necessary expenses of government. (5) Graduated tax on incomes. (6) The government control and ownership of the means of public communication and transportation.

A single glance at this platform is sufficient to show that its authors have but a very slight acquaintance either with economic or political principles.

The abolition of National banks and the substitution of treasury notes means putting more economic machinery in the hands of government instead of less, which is to reverse the progress of society. Indeed, one of the most important steps towards a better financial system is to take money out of politics. As an exhibition of financial insanity the "sub-treasury plan," which makes the government an involuntary pawn-shop for the benefit of incompetent producers, has had few equals since the days of John Law.

The only interest the community can have in money is that it should be furnished in such form and quantity as to conveniently serve the purposes of trade, to accomplish which the stability of its value is the chief point of importance. But if the most perfect monetary system conceivable could be introduced, would not increase the wealth of the community, add a fraction to the laborers' wages, or in any way improve the social condition of the people, any more than would the permanent establishment of the length of a yard stick or a pint measure.

The demand that railroad and other corporations shall not be permitted to own land except to an extent actually needed in the transaction of their particular business is equally delusive, and if logically applied would lead to a dangerous restriction of industrial enterprise. To restrict the right of corporate ownership of property is to strike at the right of private enterprise and to undermine the very bulwark of individual freedom and modern civilization.

The fourth demand is doubtless intended to be a claim for the

economic administration of government, but it is clearly a declaration for free trade, to the economic consequences of which the builders of the Alliance platform are evidently oblivious.

The proposition calling for "a just and equitable system of graduated tax on incomes" is characteristic of third party platforms. This demand is evidently made on the assumption that taxes stay where they are put, which is seldom true. It is the constant struggle of every class to transfer taxes to the next person who handles the commodity until it reaches the consumer. Direct taxation is the most uneconomic method of collecting public revenues, and one of the most objectionable forms of that objectionable system is an income tax. It is objectionable (1) because it puts a premium on dishonesty by creating an incentive to "tax dodging," develops systematic misrepresentation and the corruption of public officials. (2). It tends to create antagonism in the wealthy class to all public improvements, and is thus doubly inimical to public welfare without any compensating advantage.

The last demand which calls for the state ownership and control of the means of public communication and transportation is purely socialistic. The evident assumption here is that government ownership is sure to give honest and just administration of industry, just as if men were sure to be more honest and enterprising as public officials than as private citizens. The experience of mankind shows the reverse to be true. Indeed, it is presumably because the public is now so fearfully plundered by bad government that the Farmers' Alliance comes into existence. But just how the government which is now so corrupt and incompetent will suddenly become honest and wise in the hands of the Farmers' Alliance is not made clear.

The chief difficulty with the Farmers' Alliance, and indeed with all political labor-party movements, is that they are based upon a misconception of the nature and tendency of social ad-

vancement. In the first place they proceed upon the erroneous assumption that social evils arise from political causes, whereas, they are generally due to misunderstood economic conditions. The social and industrial evils arising from maladministration and lack of public integrity are very slight. It may at times involve a few millions of dollars, but that is altogether insufficient to create any appreciable hardship to the general community. The most serious evils arising from this source are those produced by mistaken interference with economic relations, which are precisely what such movements as the Farmers' Alliance tend to increase.

In the next place, the very idea of a political labor party is contrary to the evolution of industrial advance. It is an essential characteristic of modern society that all social, industrial and political institutions tend to represent the consensus of intelligent opinion. Political parties constitute the machinery by which this is accomplished, these parties invariably standing for two more or less distinct public policies. They are, therefore, in their very nature conservative, taking on new ideas and making fresh advances only as fast as they are demanded by the public opinion they represent. In other words, these two parties necessarily stand substantially for the administration of existing institutions, and therefore are always compelled to adopt a policy of compromise between new demands of the more aggressive and the resistance of the ultra-conservative. This effectually prevents them from performing the function of reformers.

When asked by Wendell Phillips why the Lincoln Administration did not more boldly espouse the cause of Emancipation, Secretary Seward replied: "Your function is to make public opinion, and ours is to use it, and be assured we are ready to use it just as fast as you can make it." This expression contains the essence of the law of social improvement. The function of reformers is different from that of administrators and statesmen.

The labor movement is not administrative, but essentially creative. It not only represents the demands for new industrial conditions, but its special function is to create those demands. It is indeed the social machinery for industrial education rather than political administration. Whenever it attempts to become a political party it necessarily changes its character. By assuming the function of using public opinion, it simultaneously loses the power of making it. In other words it ceases to be an agitating, propelling power in society, which creates the new, and becomes a conservative, compromising administrator of the old.

Nor is this to be regretted, since otherwise revolution would be the only means of obtaining social improvement. The fact that permanent administration of public affairs can only be acquired by a large party which shall represent a compromise between the demands of the agitator and the resistance of the conservative furnishes the possibility of a steady evolution of society toward better and better conditions without the arbitrary disruption of existing institutions.

Another advantage is that this position puts the drudgery of administration upon the conservative portion of society which could never be made to fill the reformer's function. Reformers who represent the advancing social movement, who stand for the new and insist upon the untried, who in a word constitute the dynamic force in society, are left free to devote their energies to the development of new and better institutions and the creation of intelligent public opinion to sustain them. They modify little by little the social structure, creating a safe growth and sure improvement of the institutions and conditions of social life.

Therefore instead of seeking to become a political party-labor organizations should always carefully avoid it. All the machinery necessary for political party-work already exists, and the expense and trouble of sustaining and caring for it is now provided by other classes who would not contribute their time and money to

the labor movement. When the workingmen attempt to organize a political party they are at once compelled to bear all the expense and perform all the labor involved in maintaining a political organization. This in itself is invariably too great a strain for the resources and makes it necessary to apply to others for aid.

Here compromise and policy set in, and the vigor of demands for reform begins to decline, since those whose aid is needed must be placated. Moreover, in order to succeed, the political labor party is compelled to bid for the support of the conservative as well as for that of the radical. In short, it is compelled to abandon the uncompromising advocacy of principle or specific measures and adopt the evasive and compromising tactics of other political parties. In other words it ceases to be an economic movement and becomes a political party whose success depends not upon the persistent advocacy of industrial reforms, but upon the adroit manipulation of political influences.

The labor movement can only render its most efficient service to the wage-classes and to civilization by preserving its economic identity and avoiding political alliances. It should stand only for well-defined economic principle and specific industrial measures. Political power should be employed solely as a means of giving practical application to its economic propositions. Its attitude should be the reverse of that of regular political parties, whose aim is to adjust their economic policy to the exigencies of their political organizations. To save the life of their party is the prime object of politicians. The acceptance or rejection of propositions for industrial reform are made contingent upon their party success. Nor is there any special objection to that, since political power is their prime object. With industrial organizations, however, the case is reversed. Primarily their object is economic, hence political alliances should always be subordinated to the accomplishment of their industrial objects. In other words the wage-classes should be closely affiliated in labor organizations

and incidentally allied to political organizations, giving their political support to different parties or candidates solely as these favor the industrial propositions of organized laborers. By this means instead of getting into a chronic state of discord over unimportant details and destroying their organized power, they are able to preserve to themselves freedom to advocate new ideas and make aggressive demands, maintain their independence as industrial organizations, exercise a constant educational influence upon public opinion, and practically hold a balance of power between political organizations. They are thus able to compel one or other of the existing political parties to adopt their platform as fast as they create an intelligent public opinion to sustain it.

The Socialist Ideal.

"The Socialist Ideal," by Mr. William Morris, Mr. G. Bernard Shaw, and Mr. H. S. Salt, covering the themes of art, politics, and literature, reveal the empty vacancies of that school of thought. Mr. Morris advocates the notion of a socialist ideal of art, as pertaining to all the people and not to artists and upper classes alone. As if any one had any objection to the development of art so as to reach the commonest things of the lowest people, and as if the difficulty were not to get the lowest people to care for the beauty of anything. But he blandly goes on with his fine propositions as if he were making real headway. He believes the colored rainbow to be available for the uses of the dyer.

One might imagine from Mr. Morris's remarks that art at the present day was a sort of Niblung hoard in a cave, guarded by the terrible dragon of respectable society to the advantage of nobody, and that socialism was the Siegfried armed with a sword of necessity which should kill the dragon and release the hoard to the uses of mankind. But Mr. Morris forgets that even under our present wretched regime art has already made great popular progress, and there is nothing to hinder its going on at any speed the world chooses. Why "brotherhood," and committing everything to the care of the government should all at once make the love of art general we are not told. Brotherhood is a good word but art is a matter of culture, and the "City of Brotherly Love" near us is a standing witness to the fact that kindly sentiments do not make handsome cities. On the contrary, "the Friends," gracious as they are, are distinctly lacking in the sense of beauty

from their bonnets down to their buildings, and lead one to hope in the interests of our future, that the divine and radiant enchantments of art will never be left to the indiscriminate selection of any mere "brotherhood."

The second writer, Mr. G. Bernard Shaw, discourses in the same innocent way on politics. He veils his innocence under the guise of satire, and evidently imagines that reform by satire would be much more effective than reform by machinery. He satirizes the methods of the gentleman, the tory, the liberal and the socialist indiscriminately, and alleges that existing politics are based upon the pocket; that private ownership is simply a question of private greed; speaks of a tory lucifer and a whig mammon as demons from the same infernal pit and ends by assuring us that the "rats" of popular discontent are "nibbling away with a million teeth at the foundation pillars" of society. He seems to imagine also that what we all need is a sort of general well-wishing which will somehow bring itself around to political action. Wherein this differs from ordinary political pretences he does not fully explain, nor are we able to understand. Like other Socialists he evidently is very much pleased with his general scheme for benefitting society by aggregating the individuals who now do everything so badly into one tremendous machine, which should then do everything remarkably well. Why everybody should act so much better as government than they act as individuals he leaves us to reason out for ourselves, whereat we are baffled.

A third writer, Mr. H. S. Salt, endeavors to reassure us as to the faring of literature under a Socialistic regime, and does so by saying at the outset that if a collision were to occur between the two it would be "very awkward" for literature, since Socialism is not to be defeated by anything; which reminds us of what Dr. Roswell Hitchcock once said upon the then burning question of Religion and Science that "if they ever locked horns," (the

good Doctor not apparently dreaming that they were already in that condition) Science must go to the wall because religion was a primary impulse," as if science, whose other name is knowledge, could go to the wall before anything. So literature, being absolutely ineradicable, a solid and positive achievement of the human mind, will as soon be obliterated by any "ism" as the grass of the fields by the birds of the air, or the murmurous bees. He defines Socialism as the "the administration of the State in the interests of the whole and not a part of its citizens." As if again this were not the pretence of every government and of the Socialists no more than the rest. This writer also goes on to tell how Socialism would destroy "the itch for authorship," and the competitive scribbling of poor writers, and the publication of worthless books, and, wonder of wonders, the making of editions de luxe, which he calls "the crowning degradation of letters." "Equality" will prevent all these things, and by equality is meant that one must "never in his inmost heart conceive of himself as being more deserving or better than the meanest of his fellows." But supposing one is better and more deserving, and has made himself so by study and labor, and self-control and careful polish, what right shall he have to lie about the matter, and say he is no better than a witless chimney-sweep or a dissolute loafer. It makes one tired to read such falsity put forth in the name of superior virtue. "No brotherhood" worthy of intelligent and straight-seeing men will ever "level the best with the lowest" till "reason is fled to brutish beasts and men have lost their reason."

These and similar maanderings were unworthy of any attention, but for the fact that a large and reputable body of writers and thinkers put them forth as serious and important truths. How the effects they prophesy are to be produced they never stop to tell. Who is to administer government and justice so that everybody is to be benefitted, conflicting interests all met, three

loaves of bread enough for six men only, made enough for twelve, every pint cup made to hold a quart, and the present insufficient production increased till every man shall have a dozen clean shirts in his drawer, and every woman a half-dozen silk gowns in her closet, we are not informed.

The public administration of affairs so far has always been the most wasteful, inefficient, tardy, and corrupt of all human methods. No system has ever been devised by which the best men could be put into the best places except through the ordinary open air competition of every day affairs. Jay Gould is one of our soundest and most capable men of business, yet no one would vote for him to superintend our telegraph system if it were a matter of voting. Mr. John Rockafeller is another, yet you would as soon get Bishop Potter for Mayor of New York as Mr. Rockafeller elected to a Standard Oil management by popular voice. Men left to themselves pick out representatives of their own calibre, and the man of genius being of nobody's calibre, but one exceptional and wonderful creature, is always a crank till success stamps his quality and brings out his surprising merit. No committee of virtuous citizens was or ever will be equipped with the detective powers needful to discern genius untried or to select the best anywhere.

The men in Washington to-day are no worse than their fellows, but who would like to subject any large enterprise to the conduct of such Solons, or would expect wisdom from them respecting business matters. And where are the great disinterested men of wonderful business ability, who are going to be at the head of things when the socialist gets his scheme on foot? How are the Napoleons of practical life who alone can direct enterprises on the scale which we are rapidly approaching, to be dra-gooned into taking charge of such things for the public, when abuse is plentier than praise, and ill success is always counted as intentional treason? The game would not be worth their candle.

Eight Hours in England.

It has always been a weakness in the English discussion of propositions for industrial reform that they are primarily based upon philanthropic rather than economic grounds, and hence have always furnished a convenient target for the arrows of the *Laissez faire* economist and statesmen.

In the *Westminster Review* for December, Mr. Leon Ramsay has placed the proposition for an eight hour work day in that unfortunate position. He begins by asking for shorter hours upon the abstract principle that "human life is not a commodity to be bought and sold like a bale of wool," and urges that an eight hour day should be adopted for moral reasons even though it were economically unprofitable. This is a great mistake, because it can hardly be expected that employers or statesmen would favor a proposition in industry which is likely to be unprofitable. Such a proposition is to ask them to give something for nothing, which is simply to encourage begging. In the next place it is a mistake because it is fundamentally unsound. Nothing is moral to a community which is economically unprofitable, and everything that is permanently profitable is moral. Poverty is the most immoral thing in society, and industrial prosperity is the greatest known moralizer, therefore if the plea for an eight hour work day is to have any real force it must be shown to be economically profitable. The abstract moral principle that "human life is not a commodity to be bought and sold like a bale of wool" is as old in recognition as ancient Egypt, and that it should now first begin to work so as to shorten a laborer's hours, would be indeed as curious as if a farmer was to raise a

field of grain from a handful of wheat found in a pyramid. What really is at work to produce the agitation of laborers is moral indeed, but it is the increased morality which inheres in the workmen's desire for more leisure and a higher standard of living. They begin to crave a better and easier course of life. And it is this craving and determination which makes the whole thrust and strain against the common condition of toil and servitude. In this also is the hopefulness of the whole movement which would be sure to fail if it had nothing back of it stronger or more threatening than an abstract moral principle. It is not because the community see that the laborer ought "to have a fair share of the immense wealth which the application of steam power and machinery have placed at the disposal of mankind," as Mr. Ramsey says, that the Eight Hour question is pressing; not at all; but simply and only because the laborer himself is putting his brawny and dangerous shoulder to the task of getting Eight Hours and no more.

The initiative in all such movements is in the workmen and not in capitalists, the church, or the community. It is a mere effort of parties who want something to get it; and it is desirable that they should get it easily, first because it is desirable that what any large number of mankind want should be made attainable, and second because the desire for eight hours is both reasonable and in accordance with the best development of society. Of course it must also be economically profitable, as must any great social movement or it would be short lived, as nothing can well exist on this planet which cannot furnish its own living. Mr. Ramsay thinks that an eight hour day should be adopted whether it threatens England's commercial prosperity or not. But if the adoption of it really undermines such prosperity the only result would be English decadence, and the eight hour labor day would be lost in the general retrogression of English industry. The only hope for an eight hour day rests upon its contri-

buting to the general profit and permanence of industrial society, and that it will do so we think certain.

If it were true as Mr. Ramsay, quoting from John Stuart Mill, says that "It was questionable if all the mechanical inventions yet made have lightened the day's toil of a single human being," our contention would have, indeed, very little ground to rest upon. But when we remember that the hours of factory labor in England have been reduced from fourteen in the early part of the century to nine and a half in this, we have reason to be surprised at such random statements. Yet so great is the authority for Mr. Ramsay's view that he is able to fortify himself still further by quoting from Mr. Thorold Rogers the assertion that "The population of our great towns are more destitute, have houses more squalid, means more uncertain, prospects more hopeless than those of the poorest serfs of the middle ages, and the meanest drudges of mediæval cities." In other words, Mr. Ramsay, in conjunction with Mr. Mill and Mr. Rogers, brings a wholesale indictment against the progress of the last fifty years and the invention of machinery, from its failure to affect favorably the conditions of the laboring classes. As we have said, if this were true it would be fatal to the modern movement. And that it is widely believed to be true we have continual evidence in the words of many economic and popular writers, who treat us to sketches of the miseries and destitution in which the lowest part of the population of our large cities lives, as if that were the condition of the whole laboring class, and the result of the modern factory system. Undoubtedly the lowest part of the population live wretchedly, as Mr. Ramsay observes; undoubtedly there are slums in the cities; undoubtedly there is sickness, drunkenness and improvidence, resulting in a large accumulation of human misery; undoubtedly also it is the duty of society to see that this misery is reduced to the lowest possible point with the utmost rapidity, but that the condition of this

class is the result of the factory system to any degree, or that it is the condition of the larger part of the laboring classes generally we are able truthfully to deny. There is actual proof that the laboring classes as such were never so well off as at present, that actual destitution was never so seldom encountered among even the lowest classes, and that there was never so little of grinding toil, squalor, or wretchedness, though there is still an appalling amount of all these left,

It is also doubtful whether anybody at the present day works as many hours as everybody worked a hundred years ago, or for as little money. The limitation of labor, if there was one in those days, was that produced by the limited daylight, since men had no artificial means by which to prolong their hours of toil, and there poverty was something indescribable. They may have had, as Mr. Rogers says, "an abundance of the necessities of life," but the necessities of life at that time did not include shirts, or sheets, or stoves, or schooling, or amusements, or leisure (though there was plenty of idleness) or progress in social development, and the few needs they had were far more difficult to satisfy than are the many needs of the laborer of the present day. In fact if the laboring classes were for one half year to be reduced back to the condition of mediæval laborers by an absolute refusal of all manufacturers to pay nothing but starvation wages it would cause a revolution. What were the luxuries of life in the fourteenth century are now the necessities of all classes, and are secured by them.

Now it is the improvement in the general human condition by reason of the reduction already made which leads us to believe that the universal adoption of the eight hour day would still further improve the condition of the laborer. He would get higher wages for less work, and thereby improve the social condition of his class, out of which improvement the commercial supremacy of any country must spring. It is only on a high

social level of all classes that a constant improvement in machinery is made, and where the demand for goods becomes sufficiently enormous to justify the most expensive method of production; increasing the profits of employers, increasing the aggregation of capital, and furnishing all the superfluities which civilized life must demand over the lower forms of development. It is in the establishment of these conditions that the commercial supremacy of the Eight Hour labor day will be found.

Now, when Mr. Ramsay asks, how it will be possible for England, which represents civilized society, to maintain her commercial prosperity when her high-priced labor is brought into competition with the low-priced Hindoo and Chinaman working with the same machinery, he is simply driven to the wall and has no answer better than to say that the cost of production is not everything in goods (as if the same goods selling at a higher price could ever maintain themselves against those at a lower price) and further, that it may be necessary to sacrifice industrial advantages to benevolent ones. Here he escapes from economic to philanthropic grounds. But as we said before, the Eight Hour labor day must maintain itself economically, or not at all. It must be able to produce more and cheaper products than a longer day, give greater profits to the employer, pay higher wages to the workmen, increase at once the quality and quantity of goods, and everywhere make for a better human condition. It can only succeed by doing that, and really it is doing just that. It is the doing of that which makes the civilization higher. England produces more cheaply than India now, because she knows how to use machinery. When she sends her machinery to India, and teaches the Hindoo how to make goods as she does, she is already applying her intelligence to new industries and finer; the released laborer is competent to do better and better paid work, and it is because he is fit for better that it is productive to transfer these industries to a lower country where

they will introduce new socializing influences. But really what the higher civilization will do is exactly what the higher classes of the civilized are always doing, that is, push itself forward into new industries adapted to higher uses, and produce finer commodities than the old. As the clever man gets away from making his own shoes and coat and hat, so an advanced nation will get away from merely mechanical and menial pursuits to those requiring intelligence and capital. This progression is already begun in our country in the immigration of Italians, French Canadians and Chinese seeking to fill the servile occupations which our own people find too profitless for themselves. The effort to keep our people at cotton spinning, shoemaking, ironworking and such poor occupations will finally prove in vain. The common people will advance with the rest, and give over mere mechanical toil to less developed races, because they themselves will be required, as they already are, for better, and better paid pursuits. It is in this way that the economic selection of industries by different countries is to be secured, as it eventually must be.

Mr. Ramsay finally issues into the sentence that "An Eight Hour working day is not only just in itself, and its adoption necessary to the well-being of the people, *but also, that it would not conflict with economic principles nor militate against our commercial prosperity.*" So far is he from seeing that the Eight Hour day is an imminent economic necessity for England if she would retain commercial prosperity and keep the position which she has already secured.

We are happy to agree with Mr. Ramsay in the conclusion of his essay, where he institutes an inquiry as to how the Eight Hour day can be secured; whether by Parliamentary sanction, or by Trade Unions working by the agency of strikes, and the usual forces of social warfare and violence. He sees perfectly that the latter manner is most wasteful and least effective, and he is right

in advocating changes by law in the number of hours of the working day, justly urging that such legislation is necessary to prevent the minority from arresting the welfare of the whole. It is exceedingly difficult to produce so great a change on any private scale, nor would it be useful if partially brought about. This has been conclusively shown in the experiments England has made during the last forty years.

A capital benefit in favor of the Eight Hour day, is the fact that it would call for the employment of a greater number of workmen for the production of the same amount of goods. This seems at first to be a great loss, though the employer would soon discover that as the necessity of employing a greater number of workmen results in giving daily wages to more people, it would cause an immediate increase in the consumption of goods to supply the wants of the newly employed, and thereby further increase the work demanded. This employment of the unemployed would relieve the community of the enforced support of a large number of people now living in enforced idleness, turning them from profitless into profitable consumers, whose increased well-being will add greatly to the social level of the whole community. The class requiring charity would be correspondingly diminished, and the heavy dead-weight idler which society now carries in its train would be vastly reduced. It is to the lack of looking at the power of the laborer as a consumer, and an addition to social forces which the increase of his consumption is capable of making of him, that the errors of Mr. Ramsay and his school are due. When this is realized, and the laws and public policy are set to give an opportunity to all the laboring classes of becoming the greatest consumers possible, society will be on the road to relieve itself permanently of its present apparently invincible miseries.

Trade Unions.

Although it is generally conceded that the combination of capital is both legitimate and necessary to modern methods of production, there is a reluctance especially among the employing class to recognize such a necessity on the part of labor. Among the many objections to trade unions it is urged that they are un-American, because they originated under Monarchical institutions in the old world.

If labor organizations were to be condemned for such reasons then the greater part of our civilization would have to be abandoned for the same reason. The use of steam, the daily press, our literature, law, language, our knowledge of science, philosophy, and even our religion all came from the old world. We should be Barbarians indeed were our civilization limited to what we ourselves have created. Trade unions arose in England because capitalistic production and the factory system arose there. Labor combinations like those of capital are not national, but economic, and must be judged entirely by their economic characteristics and influences.

Another objection to trade unions is that they destroy the laborer's freedom to make individual contracts. If combination is so injurious to the freedom of contract why do not capitalists avoid them. Is it not a little singular that employers should be so very jealous of the laborer's freedom and so indifferent to their own? Surely it is a little odd that industrial organizations should be so injurious to laborers and so beneficial to capitalists. It is a peculiar fact however that the freedom and welfare of the laboring classes have most steadily advanced during the period

when the power of labor organizations have most increased. This opposition to labor unions for the laborer's good is quite historic. In the early struggles of English laborers to secure a reduction of working time for women and children in factories from 12 to 11 hours per day, the proposition was opposed by statesmen and economists on the ground that it would destroy their freedom to work as many hours as they chose; and more than 40 years later the same objections were urged against a ten-hour factory law in Massachusetts. Edward Atkinson and others pleaded for the sacred right of working women to make individual contracts; just as if factory women and children, or men either, have ever enjoyed this precious boon.

As a matter of fact no such right has ever existed since the factory system began. It has been rendered impossible by the very nature of specialized and concentrated industry. The right of individual contract means nothing unless it means that every individual can make a contract for himself without regard to those of others. Experience has shown that such contracts are incompatible with a highly complex productive system. The sub-division of labor, and interdependence of departments upon each other, the similarity of work and the necessary uniformity of product in each department, the dependence of all upon a single motive power, makes it necessary to treat all laborers in each branch substantially alike as a matter of economy of administration and uniformity of cost of production. To the modern employer laborers constitute various parts of a vast productive enterprise and must work in practical uniformity or not at all. This is not only true of the laborers in a given shop, but it is practically true of laborers in different shops in the same industry whose products compete in the same market. Thus it is the economic conditions of production, and not labor combinations that have destroyed the feasibility of individual contracts, and it is beyond the power of either laborers or capitalists or both combined to restore them

without abrogating the factory system. Since both capital and labor necessarily move in large aggregations it is manifestly as irrational as it is uneconomic for organized capital to object to the existence of organized labor. Since individual contracts are impossible, and wages in the same industry like prices of the same commodities must needs be practically uniform it is clearly for the interest of the laborers that their conditions should be governed by the more intelligent of their class, and this organization makes possible.

Moreover, trade unions are educational institutions. They tend to develop the intelligence and character of the laborers in many ways. In the first place they stimulate the study of industrial questions which involves a considerable amount of reading and general information, and also an intelligent acquaintance with the industrial conditions of their craft. The discussion of the various propositions which arise for consideration tends to develop individual confidence, force of character, and consciousness of industrial rights and social power in all who attend. In short they are the economic academies of the wage-class, and constitute nearly the only opportunity for economic education laborers have ever had. Consequently intelligent trade-unionists are frequently better informed upon industrial and political questions, and are less liable to lose their heads in a sentimental whirl than are the more educated and less experienced middle class.

Trade unions are also important social centers. In addition to furnishing laborers with the means of better knowledge of their economic condition and more intelligent methods for improving them, they afford an opportunity for social intercourse otherwise practically impossible. They are to the wage-workers what clubs and other social institutions are to the wealthy. The social intercourse and activity thus created tends to awaken new interest, wants and aspirations which are not limited to the char-

acter of the individual members, but gradually extends to their home life, thus gradually improving the social condition and the standard of living of the whole class. The pressure of the increased social needs thus silently developed makes a demand for higher wages necessary. Those who first experience this kind of hardship, being the most intelligent and characterful of their class are usually the first to advocate a general demand for higher wages. And since it is impossible both from the nature of the factory system and the constitution of labor organizations, to make special terms for individual cases, the only way the most advanced laborers can secure an increase of wages for themselves is to obtain the same for their whole class. All this is not only educational and socializing in its influence, but through welding the labors into a social class it compels the more intelligent and advanced to devote their efforts to improving the material and social condition of their less characterful brethren. That is why we always find the most intelligent, socially advanced, and best paid laborers in every industry the most prominent trade unionists and usually the most active social agitators.

It will not be disputed that strikes are often unwisely and badly managed, that dishonest men or men otherwise conspicuously unfit for leadership sometimes get at the head of labor organizations. But is this not true of every other form of social and industrial organization? Are capitalist organizations free from these charges? Do they not frequently act rashly, often involving the disaster of innocent investors? Have they not their Grants and Wards? Cannot the same impeachment be urged with quite as much truth against political organizations and social clubs. Would any one venture to say that because there are dishonest railroad presidents and corporation treasurers the combination of capital should be prohibited. Why should workingmen be expected to be more honest and wise than any other class in the community! Why should perfection be demanded of them

when liability to err is conceded to everybody else? Since the other social institutions are to be judged by their virtues why should labor organizations be judged only by their mistakes? Considering their limited opportunities and the extent of the forces arrayed against them the wonder is not that the laborers have made so many mistakes, but rather that they have succeeded at all. These mistakes are not a necessary part of labor organizations any more than dishonest ministers are a necessary part of christianity. On the contrary, they arise from ignorance and mistaken notions among the laborers which trade unions are among the most efficient means of correcting. Hence we find to-day that in those industries where trade unions are best organized and exercise the greatest influence strikes are fewest, wages are highest, hours of labor are shortest, and the relation between workers and employers most confidential and harmonious. Trade unions therefore are not only legitimate economic and social institutions, but they are an integral part of the industrial organization of modern society. They are the most economic counterpart of the combination of capital whose existence and development are equally necessary to harmonious social advancement.

Correspondence.

DEPARTMENT OF LABOR.

WASHINGTON, D. C.,

October 14, 1890.

Prof. George Gunton,
226 East 15th St., New York City.

My Dear Sir :

It was very kind of you to invite me to write an article for your new magazine, but I regret that my official work at this time of year prevents me from giving the thought I would like to give to the preparation of such an article as I feel that you deserve.

The enterprise in which you are now enlisted is a grand one, and your desire to found an institution in the great city of New York, properly equipped, for the purpose of educating the men and women, who are obliged to secure the principal part of their education outside of the schools, is one that should meet the support of all right-minded people. I almost envy you the keen satisfaction you will secure in carrying out this project. The publication of a magazine as an all important auxiliary to the institute makes work complete. Your own experience, and the many years you have given to the study of economics, with your heart always open to the best interests of the workers of society, and yet comprehending the purely economic side of production, give you an advantage in conducting the work you have chosen which but few men would have.

I wish you all success, and shall consider it no small honor if I can by and by, in some way be of service to you.

I am, very truly yours,

CARROLL D. WRIGHT.

All Souls' Rectory,
781 Madison Avenue,
New York City,
Jan. 17, 1891.

My Dear Mr. Gunton :

I am glad to know that your long cherished scheme of an Institute of Social Economics and of a magazine devoted to this Institute is materializing. I wish it prosperity.

I feel great interest in this Institute, inasmuch as it is, in a certain sense, the outgrowth of the admirable work which you have carried on for five years as lecturer before the Social Economic Society of All Souls' Church. That Society was built up by your own personal work. Its fine success was the best attestation to the practicability of such classes for instruction in the principles of Social Economics. Its success was also the best attestation of the power of your own philosophy of Social Economics in moulding opinion, since the Society was founded upon your own doctrines, and was devoted to their inculcation. I cannot wish you anything better than that in your larger field in the Institute of Social Economics, the same ratio of success may attend your work.

Certainly nothing is more timely than the foundation of such an Institute. Every one who observes the signs of the times knows that the oncoming questions of society are not so much political as economic. The age of politics is passing into the age of economics. Democracy, attaining its dream of popular power, immediately must concern itself with the use of that power. On the other hand, all the forces of the moral life of society are with increasing rapidity pouring into the social problem, inasmuch as it is becoming plain that the one great wrong of society, as at present developed, is that which is involved in our existing economic order.

Amid all the conflicting teachings of our day upon the social problem, none seems to be more peculiarly a word for the time than that which you have given in your admirable book. The eight-hour question is unmistakably the oncoming question in the field of Social Economics. The philosophy of that question you, and you alone have given to the world. This of itself would make your own fitness to preside in such an Institute peculiar.

Underlying this philosophy of the eight hour movement, there is however something far more widely reaching. You have given in your work a philosophy of Social Economics which leads on to other and larger measures of reform, indefinitely, along conservative lines. Without involving any rupture with the present social order, you point the way whereby that order may be lifted to a higher and nobler one. This, again, singularly qualifies you for the position of head to such an Institute.

My own vision of the future does not tally with that which you see in some respects; but none the less, I recognize frankly, that the safest way to get what I am looking for is along the line which you are projecting; and that if we get where you will lead us, we will be in the best possible condition to achieve what further, I in common with certain others desire.

I trust that the opportunity given in your Institute will be eagerly seized by hosts of men and women, who are ahungered for sound instruction in the underlying principles of Social Economics.

Yours cordially,

R. HEBER NEWTON.

Editorial Crucible.

Correspondence on all economic and political topics is invited but all communications whether conveying facts, expressing opinions or asking questions, either for private use or for publication, must bear the writer's full name and address. And when answers are desired other than through the magazine or manuscripts returned, communications must be accompanied by requisite return postage.

Although The SOCIAL ECONOMIST represents a definite economic philosophy and industrial policy it affords ample opportunity for the fullest discussion of all economic and political questions by those holding different or opposite views, provided only that the writers have given sufficient attention to the subjects under consideration to entitle their views to respectful attention.

The editors therefore will be responsible only for the opinions expressed in unsigned articles. While offering the freest opportunity for intelligent discussion and cordially inviting expressions of well digested opinions however new or novel they reserve to themselves the right to criticise freely all views presented in signed articles whether invited or not.

President Gompers of The American Federation of Labor does not share the prevalent alarm regarding the concentration of capital. In his official report to the last annual convention of that body he said: "As wage-workers we have nothing to fear from such combinations provided we have the intelligence, energy and courage to meet them with a combination of labor." It is gratifying to know that the President of the largest *bona fide* labor organization in the world recognizes the inevitable trend of social advancement and sees that laborers can not rise by pulling down capitalists but only by doing something for themselves. Would that as much could be said for the editors of some of our leading dailies!

The legislators of Indiana appear to have been apt students of the economic teachings of The New York Times and The Evening Post. A bill has recently passed the Senate of that state making it criminal to be connected with a trust. Every member of such conspiracies is to be punished by a fine of from \$1,000 to \$5,000 and imprisonment from two to five years. Is not Indianapolis the true home of these public instructors?

The Boston Courier has invented a new reason for free trade. It thinks "the immense number of paupers" who flock to this country are attracted by the results of protection. Now immigrants come here solely because conditions are better than elsewhere. Then according to the logic of the Courier protection is the cause of our superior prosperity which it is willing to abolish in order to prevent immigration. The Courier's plan would surely be successful; reducing wages in America would certainly check emigration from Europe.

In a recent letter to Rome Cardinal Gibbon wisely says: "If ministers of religion are to continue to exercise a salutary influence over the workingman and keep him within the bounds of moral duty, they must convince him of their sincere affection by earnest efforts to better his material condition." An effective way for the clergy to render service to workingmen is to follow the example of Dr. Heber Newton and make it a part of regular church work to furnish lectures and establish classes for the study of social economics in their parish.

According to the last official report of Secretary McGuire of the Brotherhood of Carpenters the movement in 1890 for shorter hours among carpenters was successful in 137 cities including 46,197 workmen in that trade, and has benefitted as many more directly connected with the building trades. This has taken place without reduction of wages, and in many instances has been accompanied by an increase. Our Nationalist and Socialist friends should read Secretary McGuire's report before they repeat their pessimistic assertion that the condition of wage-workers is steadily growing worse.

THE SOCIAL ECONOMIST, APRIL, 1891.

Economic Tendencies on the Continent.

The present condition of economic life and thought on the Continent cannot be understood without knowledge of economic life and thought in Germany during the last thirty years. The works of Marx and Rodbertus, the popularization of them by Lassalle, the Social Democratic campaign of Liebknecht and Bebel, the political and scientific agitation of the socialists of the chair, and the legislative programme of State Socialism recommended by Emperor William I, introduced by Prince Bismarck, and continued by Emperor William II, have for more than a generation, been issues among the economists, statesmen, agitators and social reformers of all great continental countries. In Russia and in France, in Italy, Austria, Sweden, Denmark and Switzerland, almost every present movement of extreme radicals, almost every revolutionary platform and almost every proposal of measures for thorough social reform bear the unmistakable impress of a German's theory or of Germany's practice. How did this strangely pervasive influence rise and spread, what is it, and what is it doing?

The new era in economic life and thought began with Ferdinand Lassalle. He came as the "Socialistic Messiah" to expound the laws of Marx and Rodbertus. He was a born agi-

tator. Genius, scholar, orator, philanthropist, he fired the German masses and carried defiance to the door of every statesman and the desk of every professor. He instilled gall into the heart of every workingman who heard his voice. He smote statesmen and students of the orthodox school hip and thigh. Even the church did not escape him. When he died, all Germany was resounding with the combat which he had opened in economics and politics. Lassalle's mantle fell on the shoulders of Wilhelm Liebknecht. The Social Democratic party grew in strength and size. The orthodox school of political economy could find in its "natural laws" no "scientific" answer for the new problems shouted in its ears. The tumult of daily life became too loud to be silenced by the spell of the time-worn phrases; "supply and demand," "free competition," "personal liberty" and "free trade." The new times called for new men and new remedies, and both came. In October, 1872, Gustav Schmoller of Strassburg, Adolf Wagner of Berlin, Adolf Held of Bonn, L. Bretano of Breslau, and many others of the best minds in the economic science of Germany formed in Eisenach the Association for Social Politics. The avowed belief of these men was, in a nut shell, that the Manchester school had been driven into bankruptcy by the Socialists. They were in favor of the principle of state help for those who could not help themselves. They advocated State control of railways and telegraph lines, factory inspection, regulation of the hours of labor, special protection of women and children in factories, and eventually the whole policy of State Socialism, including an insurance of workingmen against illness, accident, invalidism, and old age. They repudiated unconditionally the revered maxims: "competition is the life of trade," "every man has a right to run his own business in his own way," and "it is the best government that governs least." The Eisenach professors threw down the gauntlet. The Manchester professors took it up. It was a struggle to the death. No quarter was given or asked. The blows resounded from desk and press, and pulpit.

"For a combative spirit" says Moritz Stroell in his history of the State Socialistic movement, "mere existence was then a delight." The proud temple of the *laissez faire* school sank in ruins.

In the meantime, the voting strength of the Social Democratic party had swelled from 124,000 in 1871 to 352,000 in 1874, and 493,000 in 1877. In 1878 two attempts on the Emperor's life were attributed to Social Democrats and stringent repressive laws against Social Democratic agitation were passed. These laws were administered with iron severity. Nevertheless, the agitation grew. With the double purpose of quieting it and helping the masses up from the wretchedness into which the *laissez faire* policy of the government had allowed them to sink, the Emperor and chancellor brought forward their plan of workingmen's insurance. This plan was a typical product of the Eisenach agitation. The law for insurance against illness, June 15, 1883, provides for the support of the laborer while he is incapacitated, by a more or less acute disease, to earn his living. It is compulsory. The benefits to the insured under it include free medical attendance and free medicines, and periodical payments of one-half his wages. In case of death twenty times the amount of the wages of a day laborer in his district are paid to his survivors. The periodical payments of the insured workingmen to the insurance fund vary with circumstances between one and three per cent. of the wages of a local day laborer. The employer in every case increases by fifty per cent. the amount paid by the workingman. The benefits of the insurance accrue to the insured during the first thirteen weeks of his illness, after which, if still ill, he is cared for under the provisions of one of the other two acts. The good accomplished by the illness insurance act may be judged from the fact that in 1888-89, 1,762,520 cases with a total of 29,528,770 days of illness were cared for under it.

The accident insurance July 16, 1884, also compulsory, begins to afford support to the insured at the end of thirteen weeks covered by the first act. It contemplates cases of total disable-

ment, partial disablement, and death. For total disablement the pension for life is two-thirds of his wages. In case of death, the widow gets twenty per cent. of his wages till she marries again, when she receives a lump sum; every fatherless child, fifteen per cent. till its fifteenth year; every fatherless and motherless child, twenty per cent. till its fifteenth year; every surviving ancestor dependent on the deceased for support, twenty per cent. for life. Twenty times the daily wages of a day laborer are paid, moreover, at death for burial expenses. The accident insurance fund is contributed exclusively by the employers. On January 1, 1890, 12,831,246 German workingmen were thus insured. In the year 1889, 3,328 widows, and 6,996 children became entitled to pensions or payments from the fund. Insured and survivors together drew \$3,500,000. Both of these acts were denounced by German adherents of the Manchester school as unscientific, against political economy, and destructive of an independent spirit among workingmen. During the recent discussion of the revisions of the illness insurance act, few if any of these objections have been revived. The act is generally acknowledged to be an almost unmixed benefit. The central society of manufacturers in Germany has gone so far as to declare that the accident insurance act has been found so nicely adapted to its purpose that they have no suggestions to make as to the revision or alteration of it. The Social Democratic agitators have been against both acts, as well as against old age and invalid insurance, and naturally so, since an insured workingman is inclined to cling to the state that gives him sure and substantial benefit rather than to a party that promises nothing at all or at best improbable things.

The old age insurance law which went into effect last January 1, is like the two preceding acts, compulsory on about all German workingmen. Under it, the workingmen are grouped in four classes according to their annual earnings. \$25-84, \$84-132, \$132-204, \$204-480, are the incomes scheduled for the first, second,

third and fourth classes respectively. The corresponding weekly payments are : 3½, 5, 6 and 7½ cents, one-half of which is contributed by the employer. According to the length of time a workingman has been insured, he gets as an annuity, if of the first class, between \$27 and \$37; if of the second class, between \$29 and \$60; if of the third class, between \$31 and \$77; if of the fourth class, between \$34 and \$91. The annuity of the old age insurance begins with the seventy-first year, and is for the four classes respectively \$26, \$32.50, \$39 and \$46. The government's contribution to both classes of annuities is about equal to the workingman's or the manufacturer's, each of whom bears about one-third of the burden. When in full operation it is expected that the act will cost the government an annual expenditure of at least \$17,000,000. It is calculated that during the present year 125,000 applications for old age insurance will be filed. The Prussian *Landrecht* recognizes the laborer's right to work. The insurance acts guarantee him support when he becomes ill or aged. Thus assured of a tolerable existence under all circumstances, he becomes less accessible to the gospel of discontent on which socialism feeds. This was Prince Bismarck's argument in the Reichstag on May 9, 1884. After the workingmen's insurance had become assured, Prince Bismarck began to hesitate. Naturally the three measures in question had no immediately apparent effect upon the swelling tide of Social Democratic agitation, especially in view of the fact that Prince Bismarck's repressive laws had given Social Democratic leaders a far stronger political issue than the universal wrongs of the workingmen and the fanciful remedies suggested for them had ever been. "He who has done great things becomes easily angry," wrote Gustav Schmoller, "when still greater ones are demanded at once," and so Bismarck began to sheer off from the way of social reform. "We do not go too far in saying," continued Schmoller at the time of the Chancellor's retirement, "that the majority of all patriots of all moderate political parties and all true personal admirers

of Prince Bismarck have for years sorrowfully hidden their heads when the new social-political position of the Chancellor was mentioned."

Emperor William II. has caught up the reform standard which his Chancellor was dropping. The child of a new era, educated in the class room of a professional socialist, an eager student of the state socialistic measures and papers of his grandfather and Bismarck himself, he hastened to "reach out his hand to better the condition of German workingmen." Then came the most remarkable series of political events which has resulted in recent times from a purely economical cause. The rescripts were issued, a new minister of trade was chosen, the international labor conference was held, a vast mass of radical reform legislation was prepared, and Bismarck, to whom, of all her patriots, Germany owed the greatest debt of gratitude, was dismissed merely because he had failed to keep pace with the progress of his fellow countrymen in economic life and thought. Several irresistible causes brought about the critical state of affairs that culminated in this political crisis. In the first place the 247,000 coal miners of Germany had been for some time in a condition of violent discontent or open rebellion. In the first days of the young Emperor's reign 100,000 men of the Westfalian district had struck for higher wages, less overwork, the abolition of extravagant fines for petty offences, and the reform of the abuses to which later investigation showed they were constantly subject from their foremen. The efficiency of the railways was threatened by a scarcity of coals. Thereby the availability of the army in case of war was also endangered as was indicated subsequently by Bismarck's haste to increase all stores of coal in anticipation of further trouble. The rise of prices of the necessities of life throughout Germany helped to complicate as it had helped to create the critical situation. The price of pork, for instance, almost the only meat of German workingmen, had risen in one year $1\frac{1}{2}$ cents per pound. The corn laws had, as Bebel showed, increased the price of bread to 15 per cent.

more than was paid across the Austrian boundaries. Vegetables and thin beer had become the unvaried diet of the laborer in the mining districts.

Although during the strike the suffering was extreme, yet save in a few cases, the strikers were quiet and orderly. Nevertheless many mine owners refused peremptorily to receive their committees or to treat with them as to terms. By words and acts the young Emperor showed his sympathy with them in their suffering. They repaid him with cheers and thanks in their great meetings. They were not yet Social Democrats; they were loyal and law abiding, but their sufferings had made them ripe for the Social Democratic doctrine. Liebknecht, Bebel and Singer, Social Democratic leaders, bestirred themselves to spread the propaganda of discontent in the new field. The young Emperor bestirred himself too, and the labor rescripts were the result. The parliamentary elections shortly afterward showed that the energetic reform programme which he promised, had become an imperative necessity. The bankruptcy of the system of repression was proclaimed by the fact that the Social Democratic vote had grown under it from half a million to a million and a half. The International Labor Conference had hardly adjourned before measures for the protection of the German working people were devised by the government along the lines of its recommendations. These measures have been revised by a commission and are before the Reichstag. They prohibit Sunday labor, forbid the employment of children under fourteen years in factories, reduce the daily hours of women, who now work twelve, fourteen and sixteen hours in every twenty-four, to at most eleven, and cut down administratively the working days in especially unhealthy industries. They also call for a vast number of needed innovations in the ventilation, lighting and heating of factories, in the technical education of workingmen, in the protection of them against accidents, and in the special care of the health of working women. All these and a hundred other minute details of the measures are to be enforced

by means of an already efficient and constantly improving system of factory inspection.

In his capacity of King of Prussia, Emperor William II. has had his Minister of Finance lay before the Prussian Landtag the government's plan for the long-promised reform of taxes. As he said in his speech from the throne, the object of this reform is not to increase the state's income, but to so adjust its burdens that they shall rest more lightly than heretofore on the shoulders of the economically weak. The most important part of the royal plan may be summarized thus : transformation of the old class tax into a symmetrical income tax ; reduction of the tax in the lower grades ; introduction of draw-backs for tax subjects with children under fourteen years ; heavier taxation in general of the funded than of the unfunded income. The Emperor has not, moreover, confined himself to material reforms in his efforts to help up the masses of his people and keep them free from Social Democratic doctrine. He has gone into the schools and called for a system of instruction which shall prepare German boys to become more prosperous fathers and more loyal citizens. His school reform is no campaign against Latin and Greek *per se*, and whoever criticises him from this point of view is fighting an issue of his own making. "Too much weight is laid on knowledge and too little on capability," he said in connection with his comments on the great educated proletariat of Germany. And again he declared in the words of an officially inspired editor :—"He who understands the constitution and growth of our state will be in a position to see through the fallacies and impossibilities of the Social Democratic theory and practice, and will recognize it as his duty to stand with those who protect our state against foes within and without."

The young Emperor recently characterized the difference between the old and the new schools of German social reformers thus : "The old ones always said : 'yes, but,' we new ones always say : 'yes, therefore.' " This is, in a nut shell, the statement of the difference between economic life and thought of the

new era in Germany, and the economic life and thought of the old era in Germany. In the old era, all suggestions of reforms were met with the objection; "yes, we see these abuses, but we would only make matters worse by interfering with natural laws, etc." In the new era, of which the young Emperor has become the prophet, the response is: "Yes, we see these abuses, therefore we will do our best to remove the causes." That, beneath all the bickerings of party leaders and criticisms of the *laissez faire* press, a strong, deep undercurrent of popular approval follows the Emperor's tendency, can be doubted by no one who knows the German people, and the recent history of economic life and thought in Germany. "A social movement of thousands" says Schmoller, "is possible only when thousands of thousands have become doubters."

The Social Reform movement in Germany is a type of social reform movements throughout central and western Europe. In Hungary, the Social Democratic agitation conducted by the Universal Union of Hungarian workingmen, caused the government last year to bring forward new and radical proposals for insurance of workingmen against illness and accident, for the abolition of Sunday labor, and for a thorough system of state inspection of factories. The illness-insurance measure, modeled after the Austrian law for insurance of laborers against illness, provides for free medical treatment of the insured during the first twenty weeks of their incapacity for work and a periodical payment of fifty per cent. of their wages. Insurance is compulsory for all factory and day laborers and small salaried clerks. Sunday rest and illness-insurance bills have already passed the house of deputies. Bills for accident insurance and factory inspection will be laid before the parliament next fall.

In the Danish Folkthing the First Vice-President, Bojsen, on behalf of the Conservatives and the Moderate Liberals, brought forward last year a detailed plan for the insurance of workingmen against illness, accident, invalidism and old age and the Danish

deputies showed a few weeks ago, their approval of such a measure by passing a beer tax bill which is expected to create the fund necessary for the inauguration of the undertaking in question. Even France has been moved by the swiftness of the reform tide beyond the Vosges, and a bill has been introduced in the Chamber by Ramel to pension those earning less than \$600 per year when they become invalid or more than sixty-one years old. The highest pension under the Ramel bill would be \$200. The comparatively tranquil reception of these proposals in France, Hungary and Denmark is the best possible proof of a radical change in economic life and thought on the continent. The violently bitter opposition concentrated from all sides on Prince Bismarck's three reform measures of seven or eight years ago has not been repeated when similar measures have been proposed in other continental countries during the last few months. The question at issue among most continental statesmen and students to-day concern the details rather than the principle of such state help. The era of full reaction against *laissez faire* theory and practice has come and Emperor William II. is its prophet.

GEORGE WHEELER HINMAN.

Individualism.

John Stuart Mill on his essay on Liberty draws up a serious indictment against the spirit of the age on the ground that it tends to extinguish individuality and reduce everybody to a dull uniformity. He rightly deplores the existence of such a tendency, nor does he see how it can be evaded with the ever growing democratic drift of the times. His difficulty would indeed be deplorable if it anywhere existed, but like almost all the trouble of pessimistic minds, it is really imaginary. It is a phantom of his own vision. The world does not tend to uniformity, but to diversity. The more democratic it becomes the more people there are to differ with each other, and the more likelihood of freakish sports and new varieties. The ever changeful crysanthemum with its wide range of species is the type which mankind tends to resemble.

Individuality so far from diminishing, increases with every generation. Never were there more, or more pronounced originalities than at present. If Mr. Mill had but given thought to his own generation and looked about him for a rebuttal to his own alarm, he would have seen such contrasting and puissant individualities as Gladstone and Disraeli, Herbert Spencer and Frederick Maurice, Darwin and John Henry Newman, Compté and Wilberforce, Brunel the Engineer and Matthew Arnold, Lord Shaftsbury and the Prince of Wales, Tennyson and Swinburne, Lord Derby and Bradlaugh, all in his little English island, while on the Continent were Bismarck, Louis Napoleon, Mazzini, Count Cavour, to say nothing of the many astonishing celebrities of art, science, literature and mechanics everywhere. Never were there more individualized men on earth, and never more of them than at present. Illustrious names are numerous in every department.

And not only that, but the departments themselves are more numerous than they ever were, and the groups devoted to each,

more deifferentiated and individualized. The age produces groups as far apart as machinery is from music or theatres from missions ; groups large, distinct, and devoted each to its own pursuits with qualities quite uninterchangeable and as unfit for each other's career as a canary is for a hawk, or a wolf for a rabbit. And in each of these groups we find the most marked individuals of predominant genius : Edison and Wagner, Irving and Ingersoll, Jay Gould and Waldo Emerson, men far apart and whose range of faculty and power in their departments is unsurpassed in any previous age, though the future must give more and greater to meet its increasing opportunities.

Mr. Mill therefore is singing a song of mistaken lamentation, and one which the whole drift of the age and the facts of the time should have prevented him from singing. It was, indeed but the melancholy refrain of that widespread doctrine of human depravity which has cast all the literature of the past into a minor key and led men to believe that the world was always getting worse and the golden days of virtue were in the past—a view happily as false as it is depressing.

But if one really considers the present age he will see, as we said an increased individualization in every walk of life. Never did a man count for so much as he does to-day, and never was the difference between two men so important. Never was the able man so influential and powerful, and never was the average man so independent and valuable. The individualization reaches down to the lowest. There is no one now so low as to be a slave. Even if he would like to be a slave it would not be permitted and in fact everybody is so far advanced that no one would permit himself to be enslaved, if anyone tried to do it. Once whole tribes were virtual bondsmen to their chiefs. Whole nations were serfs to their kings and nobles. Tribes like the Ashantees in Africa are still so ; the Hindoos, until the English came, were utterly servile to their Rajahs. The race like an animal species began in an indistinguishable mass where one was like another, as two

bees are alike or two sheep, and only after a long time, reached the condition in which differentiation is varied, extreme and important. In fact, man may now be said to comprehend in his single genius more varieties than all the other animal kingdom put together, and there is no lower creature which has not its analogue in his higher development.

Now this individualization is also accompanied by a higher socialization which blinded Mr. Mill and is blinding still many acute thinkers and all the multitude to the true drift of its tendency. With the lapse of time, and the thickening of the human environment, society becomes more complex, the dependence of the individual on it more decided, and his incapacity to take care of himself without it more noticeable. Each man by becoming specialized loses a certain capability in fields other than his own. An Indian can hunt and fish, make his own clothes and shoes, build his own wigwam, cultivate his own field, train dogs and break horses, and paddle his own canoe literally and metaphorically. He is at once warrior, statesman, breadwinner, tailor, shoemaker, and a dozen other things. But a weaver of to-day is only a weaver. He can do nothing else to speak of. He is one of a thousand hands that tend the looms of a factory, and his part is the merest fraction of a unit in the general mass. If he dies, another steps up to his loom as good in every respect, at the same price per day and distinguishable from the other in no industrial particular. He is Tom where the other was Dick, and that is all there is about it. Nothing could seem more unimportant, unless it be the particular darkey whose head should be cut off at the funeral of a king of Dahomey. But that is just it; the weaver is too important for any one to cut off his head at any body's funeral and this is just where he has gained enormously. His personal importance has at last reached such a pitch that were anyone to kill him, the whole complex of society would immediately begin to stir its massive and vengeful machinery to discover the murderer and bring him to justice. The

weaver's life is as safe as the President's. Beside that, his whole civil relation is girt about with safe-guards and defences which lend to his existence immeasurable aids to security, freedom and happiness. His property is protected by law, his house shielded by sanitary regulations, his children are educated by the state, his liberty is assured by the constitution. A thousand advantages have been thrust into his environment till there is but one difference between him and the highest in the land and that is the difference of character and wealth ; so much has his individuality gained in emphasis with the flight of time. As is said in "Social Economics," if the workman has lost his industrial importance he has gained in personal, social and political importance.

While therefore the dependence of men on their social environment has increased, their independence in that environment has increased tenfold. And though a man can now make only one thing where formerly he could make a dozen, he can make that one thing so much better and faster that his whole production is vastly enlarged. And he is also as much surer of getting all the other things, which he formerly had to make clumsily for himself, made for him so much better by other workmen devoted to them, that his assurance of a generous provision of the goods of life which brings leisure, is now reasonably certain.

It is only by emphasizing the ills still remaining out of a heavy and intolerable number which weighed upon earlier generations that an impression of the increasing unimportance of the person is derived. The vulgarest fraction of a man whom civilization fosters has an individual character and importance such as none but the chief of savages enjoys. And as for the most important, how far reaching is their potency ?

The individual's increasing dependence on society therefore enlarges and strengthens him instead of contracting and weakening him as is generally believed. He reinforces himself in countless ways from the contact and instead of remaining a single and solitary force unrelated to great effects he spins the lines of his

influence like a great spider's web knit from horizon to horizon. In fact the interlacing and multitudinous system of telegraph wires stretching across land and sea but symbolizes the increasing reach and range of his personal power.

We said that Mr. Mill and his school had been blinded by this waxing dependence of man upon his environment to the increase of his personal force and independence. In fact, they really made a great mistake altogether. Because in truth there was no increase of dependence in man at all. There was only a transfer of his dependence from one sphere to another—from nature to man. The early man was dependant on nature to a pitiable extent. Every morning when he rose he had to go out and hunt his dinner where he could find it. He picked up the living of a tramp. His clothing was ill-smelling skins, his house a hovel or cave, his bed a shake-down, his food disgusting, his freedom limited to a day's walk, his life a daily struggle with death. Civilization has released him from slavery to these, and while it has made him more dependent on his fellows yet his fellows have so enlarged their scope that his present bondage is a greater freedom. Charles Lamb calls "the beggar the free man of the universe" but really there is no such bond slave as he. The transfer of a man's dependence from nature to man was his release from the wards of a prison and made a person of him.

And as some civilization has made each person more important and more individual so more civilization will increase his development in the same direction. The individual will wax greater forever and he will wax greater because his dependence on society will increase. He will be greater by the development of all his social powers and relations and by the increase of his social nature until he carries in himself not only the little outfit of powers and faculties which he received at birth, but also the whole immense equipment of his environment. The power of wealth, knowledge, freedom, culture, command of natural forces and whatever the age may furnish to his environment will be his. The individual

is dilated by his surroundings. Fine houses, large cities, abundant books, pictures, equipages, great industries enter into his fibre and strengthen his person. He becomes himself plus a universe.

We see then how false is that departure from the past and present trend of man which would turn back from increasing his individuality to the suppression of the individual which is the object of the pseudo reform that men are pushing under the name of socialism.

Now there is nothing at present more in the air than the sentiment of Socialism. We hear of societies on every side for the promotion of that sentiment. From the Marx International down to the Bellamy national and all varieties of the Christian Social and the Theosophist Brotherhood, they strew the land with their organizations. The Church, which itself began in "having all things in common" as the Book of the Acts states, favors the idea and enforces the obligations of fraternity. Everywhere up and down the fields of civilization the hunt goes on, and the deep mouthed hounds of general principles are baying in musical notes through half the magazines of the beautiful things which shall happen under a socialist regime when everybody shall take care of everybody else and self-seeking disappear under universal brotherhood.

But really since our present society has been developed by precisely the opposite method, and is not altogether bad, perhaps we may expect it to go on much longer. The Socialists do a great deal of talking, but the world forges ahead steadily on its usual lines or not at all. More new practical barriers to their policy are erected every day than they could sweep away in a week. Every new individual enterprise, and there are legions of them monthly, is an additional breakwater against their fume. Men are less and less patient of public control in affairs. Powerful individuals, invent, construct, consolidate, engineer business undertakings involving vast interests and do it out of their own genius, which the government can no more control than it can the

flight of eagles. These individuals would be as easily ruled by government as Napoleon Bonaparte was by the Directory. In fact in a socialistic state they would take possession of the government if they did anything, and thus the people would be again delivered into their powerful hands, for they would be sure to work it for their own benefit, as is their wont. If not allowed to do that, they would go outside and get the power which is theirs by nature in spite of politics and people. In truth there is no conceivable combination which could make powerful men run in harness like tame truck horses to the rein of the general control, except such as would destroy half their originality, force and usefulness by destroying all of their opportunity, and the day that saw the feat accomplished would see the human race relegated to a stationary condition such as that of China for ages past. And any theory which shall endeavor to restrain the reinless herd of able pioneers in 'he multifarious department of modern life who are ransacking all the fields of nature for the materials of their industries, is doomed to sterility and failure from its birth. The individual man "must grow from more to more" and will whether socialists desire it or not. He already accretes under his management vast sums of money, vast extensions of railway, vast manufacturing industries and combinations of enterprise that stretch to the limits of the world. And armies of laborers live and thrive upon his ideas and arrangements in the large peace of regular employment and secure gains.

Mr. Oscar Wilde, always an entertaining personality, writing in the *Fortnightly Review* on "The Soul Under Socialism," naively imagines that the individualism which he craves, (as if one with us) will come only from the adoption of Socialist methods as he sees them. In this he is at one with Morris, and Salt and Shaw and other amiable idealists with whom socialism is a literary fad just now. They imagine that great individuals can be made out of moonshine. Tennyson's notion of the making of a man is better,

"Heated hot with burning fears,
And dipped in baths of hissing tears,
And battered by the shocks of doom
To shape and use."

The individual, large, strong, capable, conquering, is not developed under strains of music and by contemplation of the beauty of woman and the colorings of sweet flowers, or following vagrant fancies and his own idle tastes. Poor indeed, in fact little better the Mr. Idle Wilde himself, would be the creature made through his methods and about as capable of dealing with the rude masculine forces of human society as a mermaid might be of controlling Leviathan and behemoth in the vasty deep.

The truth is that only the great cosmic social forces represented in the bloody, noisy, conflicting, slow and direful history of mankind are capable of forging a human race so various, forcible, fearless, accomplishing as our own. "The state" says Mr. Wilde "is to make what is useful, the individual what is beautiful." One could hardly write more narrowly if he saw the world through the slit of a solar spectrum lens. All the sciences producing Darwins and Spencers and Huxleys, all the mechanic arts producing the forges and the factories, all the inventions producing daily bread for the millions—these are to be the domain of the state, while the individual like some eastern voluptuary, is to be for ornament and not for use.

As if such were a man's part in the large evolution of the times. If no greater individuality than this were to be developed things would soon come to a standstill.

But the socialist is always wrong. His thinking is against that concentration of capital which increases every day of our era and which gives to individuality its ever increasing emphasis and power by furnishing means for individual genius to enlarge and to benefit mankind. Only by permitting this can mankind get their great work from great men and enable them to do their best which is sure to be beneficial to an extraordinary degree whether they mean it so or not.

And Mr. Wilde is no worse and no different from other sentimental socialists. Discontented at the rate of progress of the time and impatient because machinery does not yet produce enough to give everybody a perpetual holiday, he sits and dreams of how much better things might be if they were different, and forgets to work out his problems according to the laws of matter and human society. Only by obedience to these can all men ever be fed and clothed.

But a government to do the useful would be no more efficient than is government with its own duties to-day. And how bad that is, let the yearly blundering of every government in Christendom from the Czar down to the Republic be called to witness. In our own happy land the doings of the government are annually so questionable that they are greeted with the blessings of one-half the population and the curses of the other half in equal volume, and no man can surely tell whether they are wise or foolish till years later, after their trial. Let government show itself able to do its present work in a superior manner before we trust it with the rest. And meanwhile we may trust to the growing individuality of all citizens, their growing capacity for their own affairs, their growing industry and originality, spurred on as they are by the desire to get a living and a good living and stand among the successful of the time.

Individuality is the note of the time. Its increase is in harmony with all the tendency of the past, its powers are the mainspring of the present and the hope of the future. And its resources are incalculable.

The Silver Question.

(II.)

The occasion for the present demand for the free coinage of a 371 $\frac{1}{4}$ grain silver dollar is not far to seek. The bullion value of such a dollar at existing rates is about 80 cents. The price has varied in twenty years from \$1.03 to 70.6 cents in May 1888. That silver dollars have not actually sold at these rates is due to the fact that the supply has been limited, and the only way to obtain silver dollars, was to pay the government gold coins or other legal tender in exchange for them. The effort to secure their free and unlimited coinage, has continued ever since the failure of the Greenback party in 1874. Had it been successful, it cannot be doubted that the price of silver would not have fallen so low, and probably the fluctuations would have been less frequent, and the profits from silver speculations smaller. But whether the dollar would have been more stable, must remain a matter of doubt. That the rates of 16 to 1 would have been maintained, can hardly be imagined.

From 1873 to 1878, the monetary standard of the United States was rapidly shortening, if one may so say. Private credit, which had been so good, was weakening and public credit, which had been so bad, was strengthening. As a result a redundant currency was contracting and a dollar would not go as far in debt-payment as in securing the means of a livelihood. The paper currency which was one of the heaviest burdens entailed by the war, was being withdrawn and "dollars" were becoming more valuable, because the government was preparing to fulfil its obligations to pay dollars, and had adopted the view that dollars were gold coins on the basis of 23.22 grains to the unit. For ten, twelve and fifteen years, contracts had been made on the basis of a

government promise. Property throughout the north and east was valued by and measured in this fluctuating and uncertain standard. When the credit of the government improved, this unit measure, or standard gradually shortened and any amount of industrial ruin and disaster followed in the readjustment. Hence there arose an effort strong and united, to limit the rapidity of this contraction. With prices declining, partly at least because of an appreciation of money, the retention of a part of the greenbacks and the continuance of the right, formerly existing, to have silver dollars coined out of $371\frac{1}{4}$ grains of pure silver seemed reasonably remedial measures. Burning up greenbacks looked like destroying the people's money in the interest of special classes. Refusing to coin silver dollars was increasing the burdens on mortgaged farms and railroads and robbing the discharged laborer of his employment, the employed of part of his hire.

The silver dollar together with the half-dime and three-cent piece, had been dropped from the list of coins which by the law of February 12, 1873 the director of the mint was authorized to issue. This act was essentially an administrative measure, proposed in 1870 by the deputy-comptroller of the currency, Mr. John Jay Knox, and designed to facilitate public business and promote the efficiency of the government service. By it, silver was no more demonetized than it had been for half a century. No silver dollars were coined from 1804 to 1836. The average annual issue from 1839 to 1869 was only a little over \$100,000. As many were coined from 1869 to 1873 as in the preceding sixty-five years, but these were for shipment to India and China. Their price was from one to three cents above a dollar. Moreover the authority was given by this same act to manufacture a more valuable silver coin, the trade dollar, and one which was expected to better perform the work which alone silver dollars had performed in the whole history of the country, viz: to circulate in foreign trade in countries using silver currency. The act of 1873 was a remonetization rather than a demonetization of silver, through not on the bimetallic principle.

That it was soon found would have been most unfortunate and dangerous. In 1874, '75 and '76 the price of silver from a variety of causes, declined rapidly from \$1.298 per ounce to \$1.28, \$1.25 and \$1.16 per ounce.

The German Empire, victorious in the Franco-Prussian war, was able to compel the gigantic war indemnity of \$1,000,000,000, and took advantage of the favorable situation to change the coin-currency of Germany from silver to gold, thus creating a demand for an amount of gold equal to the annual product of the world for several years and an increase in the visible supply of a corresponding amount of silver. Nearly all the countries of Europe immediately closed their mints against the free coinage of silver. At the same time the supply from the mines in the United States doubled, tripled, quadrupled the former annual product, rising as follows :

1869,	- -	\$12,000,000
1871,	- -	23,000,000
1874,	- -	37,300,000
1878,	- -	45,200,000

This latter fact shows the complicated character of the movement since 1874. The silver party includes not only those who desire a uniform dollar, but those who want a cheaper dollar and also those who want a market for silver at the highest price obtainable. The protection of our silver interests is an important element in the situation. But in view of the unsettled state of the mining of metals, the disturbed condition of the market and uncertainty of international currency legislation, it is not clear that thus far our policy has been at least fortunate, if not wise. To have left the law unchanged, to have continued the coinage of trade dollars, to have readopted free coinage of the standard silver dollar at any time since 1876, would have been to immediately precipitate the country to the silver basis. We should reap all the disadvantages of bimetallism. Our neighbors all the advantages.

With the advocates of free coinage then must rest the duty, as

bimetallists, of showing reasonable ground for supposing that such result would not follow at present. Otherwise not bimetallism but silver monometallism will be the result of the proposed policy. Silver would not be restored to a parity with gold but substituted for it as gold was for silver under the law of 1834, which latter law and not that of 1873 practically demonetized silver. In the act of 1890, bimetallism is declared to be the established policy of the United States "to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law." The treasury notes issued for silver bullion are redeemable in gold or silver coin at the discretion of the secretary of the treasury, but the parity referred to can be maintained so long and only so long as there are coins of each kind in the treasury sufficient to make a choice possible. When industrial conditions will produce a disparity only prophets of the Benner type will undertake to foretell, but that in all human probability it will come shortly none can doubt. It does not seem probable that the commercial value of the white metal will rise at once to its level in 1873. Clearly nothing short of an international agreement to coin the two metals freely everywhere at the rate of 16 to 1 can possibly keep it there.

Another feature of the situation which should be carefully considered is the fact that the coinage of silver is no longer desired for the use of the coin directly in trade. Were it not for the certificate clause of the program the proposals of the silver party would hardly receive a moment's attention, save as they were directed toward international regulations of the world's coinage. No great commercial country which has reached a high stage of industrial development and complexity can use silver and silver alone in its monetary transactions. Even a small number of silver dollars is a superfluity. Our demand for the decade as shown by Mr. Taussig, in the *Quarterly Journal of Economics* for April, 1890, has not varied far from 60,000,000. The silver dollar is for us a poor, because a clumsy coin. It is of no more use in every

day affairs than a gold dollar. One is as much too small as the other is too large. It is only as a metal reserve for paper currency that silver is now workable as a money material. It is so used under the present law. But the present situation is an anomalous one, likely soon to give place to a free coinage law.

By the acts of Feb. 28th, 1878, and July 14th, 1890, the duty is imposed on the secretary of the treasury of purchasing silver bullion at its market price. The first was an act "to authorize the coinage of the standard silver dollar, and to restore its legal tender quality." It provided for the purchase of not more than two nor less than four million dollars worth of silver per month, the coinage of the same into standard dollars ($371\frac{1}{4}$ grains pure $412\frac{1}{2}$ gross weight) and the issue of silver certificates therefor. The second directs the purchase of 4,500,000 ounces of silver per month, or such part thereof as may be offered, and the issue of treasury notes thereon. The secretaries of the treasury kept the coinage under the first law to the lower limit. The amount issued was about 370,000,000. The nominal profit to the government \$60,000,000. Under the existing law the government is a purchaser of an amount of silver about equal to the annual product of the mines of the country at present. On the strength of the commodity thus possessed it issues its promises to pay dollars. But the profit of the investment as yet seems doubtful to all save mine owners and speculators in silver. The act has not the ordinary characteristics of a bimetallic law. It does not appear whether bimetallism is the object or would be the effect in the immediate future. The ultimate result of the regular grinding of the four-and-a-half-million-per-month mill would perhaps ultimately achieve a semi-bimetallic state but it is more likely that we shall be transported through that quite rapidly. A free coinage act by the next congress would accomplish it in a twinkle unless the price of silver rose to \$1.29 per ounce. This may possibly be the hope of not a few. That it would lower the monetary standard would not be a matter of regret to many. There is not a wide-spread

disposition to violate all engagements but the element of legislative robbery is present as it must be in every legislative change affecting the monetary standard of the country. The body of those who are seeking something in exchange for nothing is added in the lobby to those who are honestly seeking the aid of law to guarantee their rights.

But admitting the greater justice of a policy of bimetallism; admitting that bimetallism is an actuality in the world at large; conceding its practicability by international agreement and even its necessity; allowing the claim that greater stability and industrial security would have resulted in 1876, and subsequently would result from a national free coinage law in the United States to-day, it still remains true that the law cannot control industrial conditions. The statute authorizes the officials of the mint to coin different amounts, specifically stated, of two metals, in given ways, for all holders of bullion; it instructs the courts of the country to recognize as lawful tender, as between individuals, the presentation of either species of coin in payment of debt; finally it pledges the faith of the government through its agents to do the work of coining as efficiently as possible and to receive these coins indiscriminately in payment of all dues, taxes, etc. These are the legal conditions of bimetallism. But there are others. If the rate fixed by law as the mint price is the market rate prevailing at the time coins of either kind are issued for their respective and quite different spheres of usefulness in trade, they may circulate in their different channels freely throughout the industrial community. But sooner or later, in all ages and all countries and for every combination of money materials, the market rate changes for sundry and divers uncontrollable reasons and one variety of coin is diverted to do the whole money work and the other disappears from circulation as money. Equality has vanished. Debtors have accepted the legal cheaper means of settling obligations, though this may still be to them a dearer dollar than was anticipated when the contract was made.

Two schools of thought have long existed as to the comparative merits of the less extreme though more frequent fluctuations of the standard, but all agree that every change is hurtful, while sudden and extreme variations are simply destruction to industrial life and growth. The aim of the law should be to secure an absolute measure like the pound, bushel or gallon. It is simply impossible for the law-making power to prevent variations in every standard in use, and in the field of money its action as frequently augments or precipitates them. The administration may affect the money market as it did on Black Friday or during the recent financial crisis, but legislation seldom really relieves industry by changes in money or legal tender laws. A contract to pay dollars is not unlike in character to a contract to pay pounds, or bushels, or gallons. The law may limit the contract, but it does not prescribe the terms, and its aim should be to insure the fair fulfilment of the contract thus limited. Credit and stability of contract are the foundation of our industrial life. In the soundness of financial movements and the uniformity of the monetary standard the laboring classes above all others are deeply interested. They can adapt themselves less easily than others to any change. The clear duty of the democratic state then is simply to avoid aiding or producing sudden changes in the kind of commodity which is recognized in court as legal in the liquidation of contracts.

When variations occur both debtor and creditor will invoke the power of law in their behalf and in favor of class legislation. That a democracy is most liable to adopt legislation in favor of debtors seems to me an idea based on an entirely erroneous conception of industrial relations. Whatever the action or inaction, the state will be accused of robbing some one. But a democratic state is no more likely to choose the greatest robbery than is a less virtuous body. In any state it would probably conduce both to sound industry and healthy political life if McKinley tariffs and free coinage or legal tender laws should not be operative until the end of the next succeeding session of the legislative body.

Arthur B. Woodford.

The Social Question.

AS SEEN IN MAGAZINE LITERATURE.

Jennie Lockett, the author of an article on *The Labor Battle* in Australia, in the February *Westminster Review* remarks with surprise that in Australia where the average rate of wages is higher than in any other country, where the eight-hour day is the nominal working day, where concession after concession has been won from capital, where wholesome labor conditions have been secured, and where the will of the people is supposed to be so generally represented in all its institutions, that upon this arena where labor has had so many victories, it should have met with such signal defeat in the greatest conflict yet occurring between labor and capital.

On one side the Inter-colonial labor conference and on the other the Pan-Australian conference of employers. The cause of war was an attempt on the part of the pastoralists to reduce the rate of pay for sheep-shearing. This measure they attempted to enforce by intimidation. Labor's response was the entire stoppage of all operations carried on by union labor accompanied likewise by intimidation and maltreatment, carried to such an extreme as to paralyze the whole movement and create a reaction against the leaders of trade-unionism. The result of both conferences was to put the seal of disapprobation upon all forms of dictatorial interference and intimidation and giving freedom of contract between individual employers and their employes. Force is emphatically deprecated, legal procedure endorsed, the right of combination mutually conceded. Combined labor and combined capital have had their first great passage at arms upon Australian soil. Nowhere has there been such perfection of organization on both sides. It was a typical struggle, and capital,

because it represented a greater degree of harmonious co-operation, of voluntary association and cohesiveness, nominally won the day. The action of the trade-union leaders was premature, a case where "vaulting ambition did o'erleap itself." But the ultimate success of trade-unions is so near at hand all over the civilized world and so conclusively proven by their steady and persistent growth in intelligence and efficacy that to call the defeat a crushing one, as does Mr. Champion in the *Nineteenth Century Review*, would be decidedly a misrepresentation of the situation, since the defeat instead of crushing trade-unionism will simply show emphatically what better methods must be adopted to insure permanent and ultimate success.

Like nearly all writers on strikes Mr. Champion regards the failure of a strike to accomplish the specific object for which it was inaugurated as a defeat, whereas in probably more than 90 per cent. of the cases such strikes are decided successes. These writers seem to have no other estimate of a social struggle than the money results directly involved. A more erroneous conception it is difficult to entertain. Judged by the same standard every effort for human liberty and industrial improvement would have to be called a failure and hence the resulting advancement of civilization itself a mistake. Strikes like all other industrial and social struggles are efforts for improvements, and as such are investments by laborers for future good. Sometimes the investment is rashly made, but it is safe to say that it is never quite barren of results, for if it fails to accomplish its specific object it thus serves as a social educator not only to laborers who participate in the struggle but to the capitalists as well. Moreover it is wrong to regard the Australian strike as the highest specimen of trades-union experience; on the contrary it is about the first formidable effort at organized action of agricultural laborers. Heretofore labor organizations have existed in mechanical and mining industries only. Agricultural laborers have only just reached the point of commencing any systematic effort at organization. Instead

therefore of characterizing the Australian struggle as ending in a crushing defeat the very fact that the sheep-shearers of Australia in their first effort were able to rally their comrades in a united effort even for a brief struggle is itself a triumph. And the end is not yet.

Labor and capital tearing each other's faces is certainly a somewhat humiliating spectacle; it is a species of industrial fratricide, and yet we want no peace which has not for its basis the reconciliation and advancement of all the interests concerned. Economic law must be the industrial peace-maker and must show that to raise wages and shorten hours of labor is killing two birds with one stone since it increases the laborer's purchasing power and at the same time greatly augments the employer's market, thus reconciling the interests of both and making harmonious co-operation possible. According to Mr. Champion the causes of failure in trade-union strikes are as follows:

Their leaders are far from wise, they are often men who bid for power, men who are less merciful to their ignorant constituency than the capitalistic class toward their employes, men characterized by "flow of words and constipation of the intellect," by warm hearts but ill-balanced judgment, men who have no ability to distinguish between desires and the means of their gratification. The Australian leaders he says have manifested low desires and small ability and their unregulated enthusiasm has in three weeks' time cost the workmen of Australia two millions in wages. But the chief cause of their recent defeat he ascribes to the compulsion of non-union men. The "wool boycott" was an attempt on the part of the minority to coerce the majority who if left alone would in time have joined the union. They had plenty of audacity but no power to back it up. Coercion even when backed by a loan of 20,000 pounds from England proved powerless to create good fighting material. "Federated labor," he continues, if unaccompanied by ability, "will break like an egg against an iron-clad when forced by the resolute opposition of employers who

are also federated." Again he says : The recent strike shows that difficult as it is, employers will sink their rival interests against a common enemy and receive public support in the most democratic countries as soon as labor makes a demand which the public holds to be arbitrary or unfair. Furthermore he adds that British men recognize the fact that "no power outside of parliament can coerce a man into striking and that no sympathy should be shown with methods forbidden by law.

The above are the characteristics of the strikes as seen through the eyes of a capitalist, and while they contain much food for reflection their spirit and attitude have been too largely determined by one-sided economics and a failure on the capitalistic side as well as on the part of the working-men "to distinguish between desires and the means of their gratification." Indeed to the philosophic economist there seems to be an equally lamentable lack of insight on both sides. If trade-unions do not always devise equitable and economic methods of increasing wages, neither do the capitalists devise economic methods of responding to this demand by making larger drafts upon the powers of nature. In other words by neither side is the economic production of more wealth properly understood. At present both sides misunderstand each other, and both are partly right and partly wrong. Both fail to distinguish between the nature of a thing and its abuse. The fact is that trade-unions both directly and indirectly tend to produce just what the capitalists want, namely, more intelligent and efficient labor ; while on the other hand concentration of capital enables employers to pay higher wages, employ more men (thus reducing enforced idleness) and reduce prices of goods, precisely what the laboring class demand. So instead of antagonism we should have industrial reciprocity and fraternal co-operation. If it were more generally understood that ultimately nature pays the bills much of the prevailing antagonism would disappear.

The railway strike in Scotland as shown by Sir Herbert Maxwell in the *Contemporary Review* bears the same general

features as the "wool boycott" in Australia. Both show conclusively that strikes are infinitely more effective now than of old, and both show in like manner how fraught with disaster are such modes of settling industrial grievances. The "wool boycott" paralyzed for the time being the wool industry of Australia and the Scotch strike threw the whole railway system of the North into confusion. The former was caused primarily by intimidation on the side of capital, the latter by a refusal of the railway companies to treat with an individual not in their service. The writer holds that both strikes failed because coercion, intimidation and money all combined were not able to make good fighting material out of men who had no heart in the movement. Capital on the other hand represented voluntary associationship and a cohesiveness which were lacking to the strikers. The result showed conclusively that a strike to be permanently successful must not be undertaken until the intelligent minority have persuaded the reluctant majority of the wisdom and efficacy of joint voluntary action. It is further shown that a strike may be temporarily successful if sudden and simultaneous, while it may shortly after collapse owing to the amount of suffering induced, the industrial disturbances occasioned and the lack of voluntary cohesion. Trade-unions are rapidly learning that premature action will only arrest industrial progress and that the power voluntarily to determine our industrial and social environment is among the most sacred of possessions, a powerful instrument for good when used by rational means and directed by wise leadership, but a terrific power for evil when inveigled by the premature action of leaders into an involuntary attack upon capital and then left to suffer, forsaken alike by labor-leaders and capitalists. That trade-unions however will ultimately triumph no intelligent observer of modern tendencies can possibly doubt. Every mistake they make opens their eyes to the precise methods to be adopted in order to render success a permanent reality, but this success will come not in working against but in working with capital for the production of

more wealth through the exploitation of nature the only source of wealth. And as wealth becomes more abundant both workman and capitalist can get more of it without rending each other.

The *Fortnightly* for March gives us an article on the Road to Social Peace, by David F. Schloss, which follows the usual socialistic trend of the times. There are more errors in the article than are sparrows in a hedge, and as usual with this school, it really comes out nowhere after long travel. Its history is false, its doctrine absurd, its purpose impracticable, and if it were not, this road would never reach it. The welter of confusion into which he with other writers is thrown by the generally received assertion that the age of machinery has been characterized by an increase of misery among workmen is indescribable. It is not true; it is the reverse of true, and it takes only small consideration to see that it cannot be true, yet the scribes are all in hysterics about it and make it the basis of an arraignment of modern progress which disheartens the good and dismays the economist.

All these writers seem to think with Mr. Schloss that "in the first half of this century the working class of England plunged headlong into an abyss of misery" of unequalled horror very much as the rats of the Pied Piper of Hamelin, misled by his magic flute, tumbled head over heels into the water. Really this is crediting them with a stupidity too gross for credence, since no creature, not even an ass, drops into misery with his eyes open. But here according to these philanthropists were whole brigades of men leaving their charming rural occupations where they had abundance and comfort, to rush into towns and factories, where they starved and lived like pigs. And not only they, but the Irish also tempted by the prospect of such attractive wretchedness swarmed into England where they could only increase the number of the unemployed and starve by inches, because the new machines did all the work.

The Forum for April has a kind of a concert variety of pieces, something for every kind of serious reader. Dr. Rainsford writing for the poor comes to the general conclusion that he does not know at all what to do with them, only he does know that giving money will do no good which all the comfortable classes are always pleased to know. He blames the churches for not doing more, but still thinks them to be the only agency which can do anything, which is like saying that what has already proved a failure is yet the only thing likely to succeed. Why not rather look around for a new agency, say for instance Economics and say flatly that to relieve poverty, we must increase wealth instead of blathering over "the ever widening and deepening gulf that divides the rich from the poor." There is no such ever increasing gulf in the first place, and secondly if there is, the only thing that can fill it is more wealth. The church is forever crying out about the wretchedness of poverty and never recommending us to get richer in order to abolish poverty. But how in the name of all that is rational can you cure poverty except by wealth? Words will not do it, nor exhortations. Cold is banished by heat, not by arguments.

Prof. Goldwin Smith further wonders if "morality will survive religion" and like Dr. Rainsford concludes that he does not know, which seems lame enough when written down. If we might lend him a point we should make bold enough to say that morality would survive anything but poverty, and poverty kills rapidly. If the professor had seen to the fact that the development of a complex society is necessarily a moral process on account of the exacting character of the relations established between its various groups he would have had no more fear about a loss of morality in the evolution than would a mechanic that steel should lose its strength in the development of machinery or stone its hardness in the process of building.

Mr. W. H. Mallock follows with an article on "Trades Unionism and Utopia," in which with his usual superficiality he misses both the uses and abuses of Trades-Unionism, and remarks that success in organizing strikes does not imply ability to organize industry, and that Trades Unions have never organized anything but idleness, which seems smart but is not true. One might well as object to an egg in its third day that though it had broken up yolk and white it had not yet organized a chick and laid a new egg. Perhaps not, but there is a long time ahead of us yet and Trades Unions are but a few years old. They have already done what nothing less than a strong military despotism has ever before succeeded in doing, organized the working classes which is much to have done and gives promise of more.

Mr. Arthur Hadley, always a sane and instructive writer, shows how entirely our higher railroad fares above those of Europe are due to the superior civilization of our masses. They pay more for better service and will not have it worse.

Railroad Labor in America.

According to the fifth annual report on railroad labor for the year 1889, there are in the United States, 1,718 railroad corporations, controlling 156,400 miles of railway (sufficient to encircle the globe six times at the equator) which are operated by a vast industrial force of 689,912 employés. The extent of our railroad system and the large percentage of our population required to operate it are thus two of the salient facts with which the report opens and shows that the industrial factors of our modern civilization have now become so large that their well-being can no longer be ignored without endangering that of the state and nation. At no period of human history have all the interests of society been so dependent upon the harmonious interaction and co-operation of all the industrial factors as at present. Some idea of the character of the report may be obtained from the following resume, which is hereby submitted. The report divides the railroads of the country into seven geographical groups—for the purpose of bringing together those portions where like conditions prevail. Of six hundred roads sixty of the most representative nature are taken as a basis for a general calculation of classified time and earnings, and ten roads are selected for minuter details of time and wages, which are afterwards applied to the whole sixty. Reference is made to the work of the inter-state commerce commission which has sent out blanks for annual returns from all the railroads in the country. Especial care was taken by Commissioner Wright to ascertain the relations existing between railroad employers and their employés with the following results. Of six hundred railroad corporations which practically con-

trol the railroad business of this country, three hundred and seventy-seven prohibit the use of intoxicating liquors on the railroads under their control, and these railroads are the most influential and employ a very large proportion of all the railroad employés in the country. The other companies either have no rules at all, passing upon each case as it occurs or they have some modified restrictions, such as not allowing men to drink to excess, or requiring them to be temperate in their habits, or discharging them for habitual drunkenness, etc. As regards dwelling houses, 149 out of these 600 corporations furnish dwellings to section hands, road-bed men, truckmen, watchmen, etc. Only nineteen roads maintain beneficiary institutions. A few pay hospital expenses. A very few pay taxes for the support of state and county institutions. Three or four contribute to relief funds, and several furnish club-houses and libraries for the use of certain classes of employés. Fifteen roads assist outside beneficiary institutions. Twenty contribute to the railroad branches of the Young Men's Christian Association. Twenty-one roads contribute to expenses of outside hospitals, and six contribute to regularly established railroad associations for the benefit of railroad employés. A number of companies have eating houses at division points where meals are furnished to employés for 25 cents. They have also established at division headquarters reading-rooms and libraries.

The Baltimore and Ohio road has a relief department which comprises three features, viz: The relief feature, which affords aid in case of sickness or death; the saving feature, which affords opportunity for interest-drawing deposits, for the borrowing of money at moderate rates of interest on easy terms of repayment for the purpose of acquiring or improving a homestead or of freeing it from indebtedness; the pension feature, which makes provision for those employés who on account of age or infirmity are incapacitated for active service. The Central Vermont Railroad has a large library composed of scientific, historical and religious

books, and novels, which is much used and is regarded "as a great moral regulator of the men." The New York Central and Hudson River Railroad contributes very largely to the support of buildings and reading-rooms which are under the auspices of the Young Men's Christian Association. Nearly all the roads in the country of any size provide in some way and to some extent for the treatment of employ  s who are injured in the service. A fair share of the roads assist their employ  s in securing life or accident insurance policies, but less than a score assist them in the payment of the premium on such policies. Two hundred and sixty-six companies retain in their service permanently disabled employ  s. A very large number, says the report, provide some system of technical education. These insurance funds, beneficiary associations, technical schools, etc., according to the report, have a tendency to create mutual good feeling between employers and employ  s, and in this way to facilitate the movements and intercommunication of our 65 millions of inhabitants.

As to what employ  s are doing themselves Mr. P. M. Arthur, in speaking of the insurance associations of the international Brotherhood of Locomotive Engineers, says: "We have paid through this channel to widows and orphans of disabled members \$2,500,000. He also says, speaking of recent troubles between employers and labor-organizations: "It is the *interest* of railway companies to aid and assist their employ  s to combine together for mutual benefit and protection. The Brotherhood has been instrumental in giving railways a *better class of men* than they would otherwise have had. Their laws are very rigid as to drinking, they have expelled during the last year 375 members for intoxication; and whenever a man is detected dissipating he is punished and the officers of the road are notified of the same." The Order of Railway Conductors of America is entirely self-supporting, and in case of total disability a member receives \$250.00, or in the event of his death his heirs receive the same amount.

Mr. Edward O'Shea, Grand Secretary and Treasurer of the Brotherhood of Railroad Brakemen, says their relief fund is maintained on the assessment plan, and many thousands are expended each year. He also says: "With few exceptions, our brotherhood has had no differences with railroad companies, but, on the contrary, is recognized by most of the managers as a positive benefit to their employés, and consequently to the service of their road."

According to the report: The various relief funds established by employés are made up chiefly of monthly deductions from their wages and contributions from the corporations, and from the out-side public. What is true of organized railroad-labor in its effect upon the intelligence of the laborer, and the efficiency of his service has a significant application to labor organizations in general, and deserves special notice. Other facts noticed in the report are the fluctuating nature of railroad labor, and the advisability of making the number of positions to be filled rather than the number of men filling them, the basis for statistics.

Great care was taken to learn *the number of days' work* of each individual, and the rates *by day* and *by year*. The average daily pay of baggage men is found to be \$1.51, that of conductors \$2.63, that of engineers \$3.22½. In one group of railroads baggage masters receive \$1.78 per day, or \$557 per year, in another group \$1.10 per day or \$345 per year, and in the group covering the Pacific States they receive \$2.00½ per day, or \$628 per year. English engineers receive \$1.46, while American engineers, as before stated, receive \$3.22. The former work eleven hours a day and the latter ten with eight hours for Sunday. One of the interesting features of the report is the great difference shown between the number of men actually employed during a year, as individuals, and the number of men which would be necessary to accomplish like results, provided full time was worked by each. In one case it is shown that 105,807.14 men, if they had been employed on full time would have accomplished the same results as 224,570

men who only worked 147 days during the year. The largest ratio is for masons, where 3.38 actual are employed for 1 necessary employé, but masons, of course, are not steady railway employés which probably accounts for the large proportion. In regard to hours of duty while it is true that railroad men have long runs as to number of miles, yet they are often so divided or relieved by days off that their severity is reduced. Concerning accidents, contrary to the prevailing impression, ten times as many employés are killed and injured as passengers. In the year 1888, 315 passengers and 2,370 employés were killed. Brakemen, as a class, have the most dangerous occupation in the country, one out of 88 being killed yearly. As regards railroad legislation, the report shows that Massachusetts and Alabama are the only States that have abolished the common law rule by which the principal is made responsible for the acts of the agent, the same as if he performed the acts himself, and yet, strange as it may seem, company employés cannot recover damages from their common employer.

To obviate absurdities arising under the common law rule, the State of Massachusetts, in imitation of Great Britain, passed the "Employers' Liability Act," which was an "an act to extend and regulate the liability of employers to make compensation for personal injuries suffered by employés in their service." In the other States the common law rule, though not abolished, has been restricted in various ways. Attention is called to "a curious species of legislation in Texas," which has been indulged in for the purpose of preventing the defeat of laws which might be enacted for the benefit of the employé, and which restricts the right of the employer to contract himself out of the liability imposed by the law. It is evident from all this that the common law rule is inadequate to the modern conditions which have sprung up with the factory system, and that some more feasible method of settling difficulties must be adopted which shall contain a larger element of justice.

W. E. Hart.

How the Other Half Lives.

In this volume Mr. Riis endeavors to show the dark side of life in New York City. If New York is, in sober truth, in anything like one-half its population, the poverty-stricken, helpless, hopeless, vicious, wicked and criminal place that this book makes it out to be, it has already passed beyond hope and chance of salvation. Its name should be Sodom, and it should be destroyed as quickly and completely as was that ancient resort.

But such most happily is not the fact. There is evil enough doubtless in our city—a far greater quantity and variety of it than ought to exist or need exist in the circumstances, if all those who have the power to do so would resolutely and wisely exert themselves to make it less—but Mr. Riis in preparing his book for the market has first endeavored to make it *readable*. Although a sincere philanthropist, and incapable of prevarication, exaggeration, or the suppression of essential facts, he is also a newspaper man, and knows how to write up a subject so that it shall catch the popular eye. It was not of so much importance to him, as an artist, that *all* the facts pertaining to his subject be correctly stated and placed in their right relations, as it was that the facts which he had chosen to state should be arranged and portrayed so as to produce the most telling effect. When therefore, he declares (p. 20) that “the tenements of to-day *are* New York, harboring three-fourths of its population,” he immediately proceeds to present by description and illustration, as samples of the whole, only such tenements as are to be found in “The Bend” (p. 55), the Bohemian Cigarmakers’ quarter (p. 143), and the “Common Herd” East Side Tenement Block (p. 163), leaving out of account entirely the thousands of thoroughly respectable and desirable tene-

ments scattered all over the city. In this way he shows "A Darkest New York" to be sure, but he also suggests a city that does not exist save in his own imagination.

But the most serious defect of Mr. Riis' book is the false economic doctrine that crops out in its pages, here and there. While it is not asserted in so many words, yet it is clearly implied that "the nineteenth century drift of the population to cities" is a very bad thing. It is declared without qualification that the tenement-house system "was the evil offspring of public neglect and private greed * * * a storm-cloud forever of our civilization." Yet as the tenements are here it is urged that "homes must be built for the working masses by those who employ their labor, but tenements must cease to be 'good property' in the old heartless sense. 'Philanthropy and five per cent.' is the penance exacted." "Of one thing," it is added, "New York made sure at an early stage of the inquiry (concerning the character of the tenement property)—the boundary line of the Other Half lies through the tenements." "More than one-half the tenements with two-thirds of their population were held by their owners who made the keeping of them a business, generally a speculation." "How shall the love of God be understood" it is finally asked "by those who have been nurtured in sight only of the greed of man?" These quotations are all taken from Mr. Riis' introduction, and may therefore be regarded as setting forth pretty accurately his point of view.

Now why should Mr. Riis or anybody else, believe and say that country life is better than city life for the great majority of the working people? The facts are rather the other way. The condition of the Other Half even here in New York, is better on the average, than it is in most prosperous agricultural districts. They have better food and clothing and houses to live in, better wages and more privileges and opportunities for education amusement and improvement of every kind. City life is better than country life because it brings men into closer social relations with

each other and stimulates their desires and efforts for the attainments of the best things. "To escape the bovine monotony of farm life men throng to cities and towns, where intelligence is general and the resources of the individual enlarge, where the interchange of human sympathies and criticisms stimulates thought, and develops civility, where, as in a bee-hive, sociability supplants the dull hut of the lonely agriculturist, with whom new thoughts are as rare as "roses in January." Nearly all the progress that the world has made hitherto in general civilization has been inspired and led by those who have lived in cities and who for that reason have been able to sharpen each other's faces and become far more efficient than they otherwise could have been. Mr. Riis should therefore rejoice that the progress of the age has brought twenty-five per cent. of our people to live in cities as against barely four per cent. a century ago.

Mr. Riis makes another economic mistake when he assumes that homes in separate buildings are preferable to tenements for the masses of the people living under city conditions. Those who have small incomes can always get more for their money in a tenement than they can in any house which they are able to occupy and pay for alone. Water and gas and steam and the best sanitary and labor-saving arrangements are possible at moderate prices only to those who enjoy large buildings in common. What workmen want is the best homes, as well as the best of everything; but in a narrow city like New York, separate homes in isolated houses can be commanded only by the rich. Admitting all that Mr. Riis can truthfully say against the tenements of New York, they are, as a whole, superior in all essential qualities to the homes of the laboring classes in country towns and villages. This, however is not a sufficient reason for being satisfied with the present condition of our tenement-house system. Many of the tenements are anything but what they should be, as Mr. Riis clearly proves, while some of them are a public as well as a private disgrace. Although their number has grown immensely during the last twenty

years—from 14,872 in 1869 to 37,316 in 1890, the demand for them has increased still more rapidly; and because they do not exist to-day in sufficient quantities to meet this demand, within the city limits, many thousands of working people—men and women old and young—are obliged to live on Long Island, in New Jersey, or up the Hudson River, and travel long and tedious distances in going to and from their places of employment. The question then of the most importance to the tenement population itself, is: By whom and in what way shall more and better tenements be supplied them without violation of the fundamental principles of social economics, or unnecessary and unjust taxation of the resources of anybody?

In trying to answer this question Mr. Riis goes farther astray in his economic errors. They must be provided he says in substance, by those who have the will and ability, on the basis of "Philanthropy and five per cent." It is true that he recognizes to some extent what has been done by business, by law and by public opinion, in support of past efforts for reform. It is also true that with a curious inconsistency, he says (p. 271) that "the business of housing the poor, if it is to amount to anything, must be business. * * * As charity, pastime, or fad, it will inevitably fail, always and everywhere. * * *

Upon any other plan than the assumption that the workman has a just claim to a decent home, and the right to demand it, any scheme for his relief fails. It must be a fair exchange of his money for what he can afford to buy at a reasonable price." Still it is quite evident from all he says upon this branch of the subject that the "business" of furnishing proper tenements is to be undertaken from benevolent instead of economic motives, and that the workmen themselves are not to be expected to take any considerable part in it. He, therefore, declares (p. 283) that "private enterprise—conscience, (to put it into the category of duties where it belongs,) must do the lion's share."

Now philanthropy is well enough in its place, but it always

works mischief whenever it attempts to manage business affairs. Economic equity, and not charity, is the fundamental law or principal upon which all human relations, and all economic exchanges of both wealth and service, should be made to depend. If all persons could secure the exact equivalent for what they give, they would receive an absolutely equitable reward for what they do, and injustice would be impossible. If it be true, as Mr. Riis declares it is, (p 282) quoting from a report of the Tenement-house Commission that "the condition of the tenants is clearly in advance of the condition of the houses which they occupy," then according to this fundamental law, the tenants could demand of the tenement owners, houses up to the level of their occupants, and they would get them, since their standard of living would require and exact them with irresistible force.

The fact is that an adequate supply of suitable tenements depends on the workmen themselves, who must demand better houses from capitalists, who build and rent houses as a business. There is no objection, of course, to the building of model tenements by persons who are benevolently disposed, and much good no doubt can be done in this way, provided the tenements are not rented at less than market rates. In other words the building and renting of tenements should be, in all cases, as it is, a matter of business between parties in business relations with each other, and not otherwise.

But, says Mr. Riis and the philanthropists generally, right here is the point of difficulty. Equity is not the prevailing law in the tenement-house world, but selfishness rather. Neither the landlord nor the tenant, neither the employer nor the employed can be relied upon to treat the other fairly. If it were otherwise, there would be no bad tenements, or for that matter, bad landlords or bad tenants either. True, but what then? Shall we resort to charity instead of holding to equity, with any expectation or hope that the evils which result from the violation of equity will thereby be diminished? Let the history of the world's charities and their results be the conclusive answer.

The question then comes back to us; how shall the demand of the laboring classes for more and better tenements be made effectual? The general answer is by stimulating in the laborers themselves the desire for such tenements till they shall be ready and able to put forth the necessary effort for their attainment.

The things that Mr. Riis says in his book about the children, are, almost without exception, of the best character. It is a pity, however, that he does not plead more strongly for their right to receive a good common school education. Under existing circumstances, the only way in which such an education can be given to them is by adopting the half-time system. If that were done, and the system faithfully administered, there would not of necessity be in the city, after ten or twelve years, any considerable number of workingmen (save green immigrants) who could not read and write.

The tenement problem is simply a part of the great social question of to-day. It has some peculiar features which require special treatment; but in all essential respects it is the same question, and should be so regarded. The way to improve tenements lies through an increase in the wages of laborers. A five per cent. lift in their daily wages would produce more effect on their lodgings than all other influences, and the way to bring this about is to labor at the elevation of their whole social condition. Mr. Riis' book, then, may do much good in calling our attention to a general evil in which we are all interested, and can all do something towards eventually removing. A correct public opinion is one of the consolidation of social progress.

Henry Powers.

Industrial Equity.

The first question in regard to social reform involves the idea of equity. A charge of injustice is the basis of all complaints against existing institutions. It is important therefore to get some clear conception of what constitutes industrial equity. If we ask what is equity? The almost universal answer would be justice. But what is justice? Doing right may be the reply. But what is doing right? The more we analyze the idea of equity the more we are forced to the conclusion that its essential quality consists in giving the equivalent of what we receive. Whoever gets the equivalent of what he gives gets exact justice. Whenever one gives more than the equivalent of what he gets, somebody gets more than the equivalent of what he gives, which is the essence of injustice. The departure from the point of giving and receiving equivalents is the source of all injustice.

What then is the standard by which industrial equivalents are determined? It cannot be quantity, quality, or form, because the very purpose of exchange is to obtain something which is different in these respects from what we have. Hence we give gold for cloth and service for gold. The only point of similarity between these widely differing quantities of different objects is the cost of furnishing them. It is the equality of cost that constitutes their economic equivalence. However great may be the difference in form, quality, or quantity of what is given and received, if each obtain what is equal to the cost of what he gives he receives an economic equivalent, because he receives what will enable him if necessary to replace that which he gave.

The progress of society involves two economic movements.

One is that the price of labor should rise, and the other that the price of commodities should fall. Unless one or both of these movements take place there can be no real increase of human welfare. Nothing improves the condition of mankind which does not in some way or other give a larger amount of wealth for a smaller amount of labor. How the laborer shall be enabled to obtain more for what he gives, and the manufacturer give more for what he gets without violating the principle of equity in either case is the problem of social advancement.

Manifestly this can only be done by increasing the cost to the laborer of furnishing his labor and diminishing the cost of producing commodities. If a day's labor only costs the laborer a dollar to furnish there is no more equity in giving him two dollars for it than there would be in giving him twenty dollars; and as a matter of fact there is no principle in society by which he can permanently obtain more than a dollar. That is the equivalent of the cost of what he gives. Hence we always find that workmen who can not live on their own social plane, that is furnish their labor for less than two dollars a day can never be made to work for one dollar a day. Nor can those whose habitual standard of life enables them to furnish their services for a dollar a day ever permanently obtain two dollars a day. In other words the laborer can never permanently obtain more from the product he helps to create than the equivalent of the cost to himself of his service. To increase the cost of his service therefore is the only means of increasing the amount he shall receive as an equivalent for it. This involves an increase in his habitual consumption which is in effect to raise the social plane of his living.

On the other hand the price of commodities can be permanently reduced only by lessening the cost of their production, which can be accomplished only by the use of labor-saving appliances. But the successful use of labor-saving appliances chiefly depends upon the possibility of producing on a larger

scale, which in turn necessitates a larger market for products or an increased consumption by the people, two-thirds of whom are the laborers themselves. Thus it appears that not only is it necessary to raise the standard of the laborer's social life in order to increase the wealth he can equitably obtain, but that in order to use wealth-cheapening methods by which the price of commodities is lowered, we are also indirectly dependant upon the same fact. In other words the economic means for permanently making wealth cheap is to make man dear. That is to say all progress finally consists in raising the lowest point of cost on the human side of all economic transactions and lowering it on the nature side. Make man dearer and natural forces cheaper, and the advance of civilization is assured.

No social revolution therefore is necessary in order to promote the equitable distribution of wealth. The abolition of the wages system or the state ownership of industry could do nothing to promote this end, which cannot be accomplished more easily or more surely under existing institutions. Under any social system conceivable the wealth of the community can be increased only by creating an economic surplus, and it is from this surplus alone that the masses can obtain increased incomes in any form whatever.

That this surplus can be more economically distributed through an increasing wages and lowering prices than by any system of arbitrary division in the form of profit sharing or pensions is too obvious to need discussing. Since all forms of economic surplus whether rent, interest or profit arise from the diversification of productive methods, and since these are made possible by the diversified tastes and demands of the great mass of the community, the foundation of which is a high rate of real wages, it is clear that the true economic means for both creating an economic surplus and equitably distributing it among the masses is to promote the influences which increase wages.

Importance of a New Point of View.

The great revolutions in human thought and conduct have nearly all resulted from changes in points of view. It was because the heliocentric and evolution hypothesis changed the point of view of studying physical phenomena that they revolutionized the world's thinking, thereby changing man's whole attitude towards his environment. And it is from this change of attitude that the advantage to society has really come. What was true of science and philosophy is now true of economics and politics. The bitter warfare between classes in society to-day arises from the point of view from which their relative positions are interpreted. It is by this interpretation as given by economists that the attitude of statesmen, laborers and employers towards each other and toward the community is determined.

The present attitude of society toward the social question as represented in this literature and leadership is mainly governed by the point of view from which it considers the question of economic prices, because around that question hovers the whole problem of economic distribution. It is through the law of prices that wealth is dear or cheap to consumers, and wages are high or low. And it is through the law of surplus, a corollary of the law of price, that all rent, interest and profit are determined. The attitude of consumers, laborers and capitalists towards each other is naturally friendly or hostile, according as they regard each other's interest in harmony with their own, or antagonistic to it.

For more than two centuries the view point of thinking upon this subject has been Supply and Demand.

The essential characteristics of this position is that it treats all questions of exchange and prices, indeed all economic relations as determined by quantity and competition.

According to this view wages depend upon the number of laborers seeking employment, falling as that rises and rising as it falls. The greatest menace to the welfare of workingmen therefore is the existence of their fellow laborers. The Wages-Fund Theory which for half a century has been a fertile source of industrial acrimony and strife is the logical product of this line of reasoning. So also is the malthusian doctrine that reducing the laboring population is the only means of permanently raising wages. The revolutionary demands of Anarchists and Socialists are also stimulated by this view of the subject.

It is insisted with some plausibility that an industrial system should be abolished in which to improve the social condition of laborers without reducing their number.

Indeed a doctrine according to which the very existence of one's neighbor is a threatening danger to one's welfare is essentially a doctrine of insolation and savagery. It is therefore contrary to all the fundamental principles of social life and civilization, must inevitably produce class antagonism in a complex society as it always has.

The peculiar fact about this theory is that it is essentially as erroneous as it is unsocial and inhumane. As elsewhere shown* wages have persistently risen and the price of commodities fallen in direct opposition to the constitution of this doctrine.

That a doctrine socially injurious and historically false should be persistently adhered to seems not a little surprising. But this is made inevitable by the point of view from which the whole subject is considered. The present generation of economists have begun to realize the necessity of a departure in the treatment of social economics, and have abandoned the Wages-Fund theory, and to some extent the Malthusian doctrine also. But in doing this they have only rejected the more repulsive forms in which

*Principles of Social Economics.

the theory was presented. Their attitude toward the social demands of laborers is indeed more considerate and respectful than was that of economists in the first half of the century, but their reasoning is substantially the same and to the extent. That they have the orthodox conclusions are they without anchorage. This is because they have not changed their point of view, hence their departures are variations in the metaphysical presentation

Errata.

The article "IMPORTANCE OF A NEW POINT OF VIEW" was accidentally inserted without proof corrections. On page 114 for stirfe read strife, also for mathusian and Methusian read Malthusian. Page 115 the first sentence should read Their attitude toward the social demands of laborers is indeed more considerate and respectful than was that of economics in the first half of the century, but their reasoning is substantially the same, and to the extent that they have departed from orthodox conclusions are they without anchorage. For Jevan's read Jevon's. 116 for "of wages" read "or wages." There are other typographical errors.

ment. It may be, and there is no doubt that it is, that the prices is co-incident with a change of quantity, as when an apple crop is large apples are cheaper, and when it is small apples are dearer, but a moment's reflection will show that the real economic force which determined the prices of the apples in both instances was the cost, not the quantity. The reason the increased crop of apples reduced their price per barrel was because it reduced their cost per barrel. Thus the only way change in quantity or supply which effects price is through simultaneously effecting the cost of furnishing the commodity. Although it will make no practical difference to the business man whether he attributes the fall in the

price of apples to their quantity or to their cost of production, or a rise of wages to a scarcity of laborers, or a higher standard of living, since the result to him is the same in either case; it will make a radical difference in the efforts of all who desire to effect those prices or wages.

The two important movements that are especially desirable are that the wages of labor should rise and the price of commodities should fall. Considered from the quantity point of view neither of these can be accomplished without injury either to the employing or laboring class. If for instance we wish to reduce the price of commodities according to the supply and demand idea we can only do so by making the supply exceed the demand, that by creating a redundancy of products, which means disaster to producers. To produce more than can be sold is to create a market glut, industrial depression and their evil concomitants, but as a matter of fact permanent reduction of price never was produced in that way. When we want to increase wages, according to the traditional theory we can only do so by reducing the number of laborers which is repulsive to the best sentiment of humanity, and very naturally puts the laborers in direct antagonism to all treatment of their condition upon that basis, as it ought to.

If we change the point of view however from *quantity* to *cost* all these repulsive elements disappear. In order to promote the cheapening of wealth, instead of stimulating a redundancy of production which will bring disaster to producers we turn our attention to devising methods for diminishing the cost of production. This, as the history of an industrial progress shows, must come through improved productive appliances. By this means which is the only means by which prices have ever been permanently lowered, producers can contribute to the welfare of society by reducing the price of commodities without injury to themselves. On the other hand when we deal with laborers from the *cost* instead of the *quantity* point of view, instead of assuming that laborers can only improve their condition by making themselves scarce, we at

once see that to increase the price of labor (raise wages) we must increase the social cost of laborers, and instead of invoking the aid of late marriages, infanticide and pestilence as a means of social improvement, we turn to influence that tend to improve the quality of social life among laborers and raise their standard of living. Thus our attitude toward the masses becomes at once humane, hopeful and harmonious instead of discouraging, inhumane and antagonistic, and much of the cause of industrial acrimony disappears.

Nor does the importance of the new point of view stop here, but it extends along the whole line of economic and social considerations. No sooner have we taken one step in this direction than the relation of consumption to production, of material welfare to moral culture, of social character to the purity of government, all assume a new and more encouraging aspect. The recognition of the fact that improved methods of production and not mere increased quantity of supply are the true economic means of lowering prices leads directly to the other fact that improved machinery can only be effectively employed with an increasingly large market for its products, consequently the increased consumption by the masses is seen to be the necessary basis for profitable production and the success of employers is seen to rest upon the welfare of the laboring class. Viewed from this standpoint the improvement of the laborer's condition becomes of direct economic importance to capitalists, thereby transforming the two classes from enemies to allies. Moreover the development of manufacturing and artistic industries bring with them complex social life and intellectual development with all their refining and moral influences indispensable to good citizenship, public integrity and a high civilization. Therefore whether we shall continue a state of warfare in which one class hopes to better its condition only by the injury of another, or we shall have a state of economic co-operation in which the elevation of the masses is the key to social advance, largely depends upon our economic point of view.

Editorial Crucible.

Correspondence on all economic and political topics is invited but all communications whether conveying facts, expressing opinions or asking questions, either for private use or for publication, must bear the writer's full name and address. And when answers are desired other than through the magazine, or manuscripts returned, communications must be accompanied by requisite return postage.

The editors are responsible only for the opinions expressed in unsigned articles. While offering the freest opportunity for intelligent discussion and cordially inviting expressions of well digested opinions, however new or novel, they reserve to themselves the right to criticise freely all views presented in signed articles whether invited or not.

As we go to press a correspondent writes from Fall River asking, in view of the fact that the cotton manufacturers of Massachusetts have to compete with the products of long hours and cheap labor in the South, if a law to further reduce the hours of labor in Massachusetts will not drive the business South, and thus destroy the industrial prosperity of Massachusetts, injuring both labor and capital? This is a serious proposition, and is entitled to a more comprehensive reply than can be given in a paragraph. We shall therefore reserve our answer for the next issue of THE SOCIAL ECONOMIST, when we shall discuss the future of cotton industry in New England.

The collapse and bankruptcy of the People's Palace in London emphasizes what we said last month as to the necessity that all benevolent institutions should aim at being self supporting, and organized with that end in view. Nothing can be perfect on this planet which does not so arrange itself and it is but folly to be throwing money away in "charities" which lose sight of this

primary obligation. A small enterprise feeling its way to the people's desires by the all decisive route of the cash box might gradually have developed into a large establishment in which the same people would have passed many years of enjoyment. But a half million dollars has been rapidly dissipated in trying to make the people like what their betters thought good for them and now collapses. There is but one method of improvement possible to men and it is that which first knits itself to their desires and knits on from that. And the test of effective desire is their willingness to pay for its gratification. A full suit of Rock's best clothing would be no object to a South Sea savage who prefers nakedness.

The wealth-cheapening influences of capital through greater concentration and improved processes continues on every hand. The marvellous improvements developed in the cotton industry during the last forty years have reduced the price of that fabric from 17 cents to 3 cents a yard, and we are now promised a still further reduction. Mr. Draper, a machine manufacturer in Hopedale, Mass., claims to have discovered an improvement in the shuttle box of the cotton loom, by which the loom can be furnished with six or more shuttles instead of one. Thus the loom can be supplied with weft or filling at $\frac{1}{6}$ the labor required at present, reducing the cost of wearing material thirty per cent. This new draft upon nature, being really a net increase of production, will increase the surplus of cotton manufacturers and enable them to lower the price of cotton cloth, raise wages, or lessen the hours of labor. The community would in all probability gain most, and manufacturers sacrifice least by the latter plan. It is to be hoped that operatives will not make the mistake of regarding this invention as inimical to their interest, and oppose its adoption. It should be remembered that it is by just such economies that the capitalists' surplus is created which is the only reservoir from which higher wages or lower prices can permanently be drawn.

Speaking of the Eight-Hour movement in England the New York *Sun* wisely remarks :

" This, we scarcely need to remind the reader, is destined to become in England the most pressing of practical questions, the moment the controversy about home rule is settled. Nor it is unlikely to play a great part even in the next general election, seeing that the Trade Union Congress held at Liverpool last autumn peremptorily instructed its spokesmen in Parliament to demand the enactment of an eight-hour day."

The *Sun* is to be congratulated upon its clear perception of the real drift of the English labor movement. Would that its vision was as clear regarding that movement in America! As a matter of fact the Eight-Hour movement is stronger here and its economic importance is better understood than in any other country. It is one of the practical questions with which our statesmen and capitalists will have to deal in the near future. If *The Sun* and other leading journals would recognize this fact as clearly for America as they appear to for England they might do much to render the movement for a shorter working day gradual and peaceful instead of sudden and turbulent. It may as well be understood to be the inevitable decree of social advancement that a shorter working day is one of the contributions that improved machinery and concentrated capital must make to American laborers, and the more the employing class and the great journals of public opinion assume a hostile attitude towards that movement the more sure it is to assume a less rational and peaceful form. Surely an increase of leisure and social opportunities for laborers in a democratic republic with a protective policy should keep pace with that in a monarchy without protection. The future working day may not necessarily be eight hours; it may be either more or less, and if the movement is rationally anticipated it will find its true economic resting point, but if it is irrationally antagonized it may be fixed at point; that will greatly disturb and perhaps seriously injure industrial

prosperity. Moreover unqualified resistance to this movement, which is clearly in the order of social evolution, does much to confirm the socialist declaration that the capitalist class is the natural enemy to labor and strengthen their movement for uneconomic paternal legislation. If we are to avoid the calamity of an experiment with socialism we must adopt a public policy in line with the drift of social progress, and the political party that will first do that will get the support of the masses, which is now the only credential to power.

Mr. Richard T. Ely, Professor of Political Economy at the Johns Hopkins University, writing of Socialism (as everybody is doing just now) in its moral aspects, dallies with the subject in a most uneconomic fashion. He finds that Socialism is not "materialistic" as if its utmost aim were not to arrange wealth differently and nothing but that. He is pleased with its efforts at "brotherhood" as if a socialistic state could be anything but an industrial despotism. He finds Marx's contention that "self-earned property has been displaced by capitalist private property and that capitalist private property must be displaced by socialized property is an evolutionary view of conservative tendencies." One might as well call the movement of the Indian toward extinction an evolution of conservative tendency. Nations started with socialism, property, land, wives, homes, products all in common, and any movement towards that is only a movement towards the poverty meanness, stupidity and squalor of that time. And the competitive struggle as he calls it of man against man to escape from that condition is really only accidentally against some men, but is mainly against nature out of which alone profits are gained. Co-operation which we really have already, but which he with the socialists seems to think may displace competition altogether, would still do little or nothing for man unless it increased production out of nature, since it makes little difference to society whether it gets what it gets from competing producers

or co-operating producers. The amount of things produced is society's main interest. To increase that needs better machinery which socialism would do nothing to supply. He further avers that "socialism would do away with those features of our present industrial system which compel men, as they are, to rejoice in the adversity of others," as when a frost on one section of grape growers gladdens another section whose grapes are safe, by raising their prices. A small matter indeed in the large compensations and equalization of prices at present established by railroads in the world. And now everybody is as glad of plenty everywhere as he could be under any socialism. And as for obliterating selfishness and doing away with existing ills, through socialism, it has not yet been shown that socialism could do away with any of them, and certainly socialism is no fuller of strong desire to do away with them than is our present society. Socialism by the increased social lethargy it must produce when the main incentive to individual energy is lost in the impersonal working of an immense machine would magnify all these evils. But as we said at the outset our speculative Professor "runs far by the polar star" of economics and loses his course completely on the gray old sea of hap-hazard conjecture. Without a compass all steerage way is vain.

The attitude of our Italians toward our government in the matter of the late murder of their countrymen in New Orleans is at once striking and impressive. No sooner do they hear of the massacre than they swiftly appeal to the Italian King for redress and vengeance. In other words they fly from the government under which they live to a foreign power and ask for its interference. No one among them, be he American citizen or not, seems to have a single patriotic impulse strong enough to make him ready to resist any foreign interference in our affairs be the occasion what it may, or to rely upon American institutions for redress. Such poor Americans are they all that they are ready to fly at the

nations' throat at the first hint of danger to their own Italian interests. One would like to see a little more love for American institutions and honor among them if only for their own sake. They certainly would be more highly valued among us if they would show themselves to be Americans first and Italians second, instead of emphasizing their foreign allegiance while getting a living under our protection. And as for their frenzy over the unlawful acts of a riotous mob it seems very childish. Has any nation ever been able to prevent mobs from lawless acts towards either native or foreign born men on provoking occasions? The sea forever rolls up its waves beneath a great wind.

At the same time the mob at New Orleans also leads us to reflect upon ourselves. A society in which such deeds as theirs can be marshalled and led by so-called reputable citizens requires serious reconstruction. It is the same spirit which nicknames a bill to provide for fair elections the "Force Bill" and calls heaven and earth to witness against its injustice. The South really needs to take thought concerning its ways and make some efforts to get in step with modern thought and aims. Violence and mob rule, ballot stuffing and intimidation are out of date. They lag indecent upon the heels of the higher civilization. No community can reach the best by their means. Let the south turn her attention away from those relics of barbarism and endeavor to establish general justice and fair dealing. She will be astonished to find how well these principles will work. She will be pleased to find how much time their establishment will leave to devote to profitable industrial enterprises which shall provide more of the goods and pleasures of life and make society rich, strong, peaceable and secure. She will be edified to discover that what her chivalry, touchiness, sense of honor and self conceit have failed to bring her, namely general enlightenment and public grandeur, will easily come from the entertainment of plain, domestic virtues and devotion to gainful industry.

What the Critics are saying of Mr. Gunton's Principles of Social Economics.

New York Press, February 8th, 1891.

Those who have read Prof. Gunton's former work, "Wealth and Progress," will not need to be told how he has reached the conclusion that "it is in the needs of the masses that the economics of the future must be studied and statesmanship determined," for he there demonstrated that wages are regulated by the standard of living. Now, however, he proves with equal clearness that the whole problem of future production is bound up in developing the consuming capacity of the masses; for the improvements of modern invention so enormously increase the world's productive capacity that the greatest possible market will be needed, and that market will come when everybody is a buyer of everything that enriches life. * * * The perfect candor, the clear thinking and the radicalness of investigation displayed in Mr. Gunton's book ought to insure it a wide sale not only among students of abstract economics, but among intelligent laboring men. It does not seem possible to answer it or refute it without knowing more than the human mind can know.

Boston Traveller, March 12th, 1891.

Whatever may be thought of the economic theories of George Gunton, author of "Wealth and Progress," and one of the most prolific of the writers on economics at the present time, his works certainly repay careful reading on the part of all students of, and all others interested in, economic science.

New York Commercial Advertiser, March 17th, 1891.

Mr. Gunton's facts and interpretations of facts, if not always conclusive are always full of encouragement. He presents new and important aspects of old problems. He has thought for himself, and the result is suggestive.

Christian Union, February 5th, 1891.

Mr. Gunton's book contains four parts: "The Principles of Social Progress," "The Principles of Economic Production," "The Principles of Economic Distribution," and "The Principles of Economic Statesmanship." Every one of these four parts and every sub-division of them shows innumerable evidences of having been written with an uninterrupted consciousness of the labor problem. In fact, Mr. Gunton's belief in social reform along the lines of the present industrial order, runs like a red thread through every sentence from preface to finis. * * * Industry is to-day on a democratic basis; in the prosperity and consuming power of the masses is to be found the key to all material progress; the manifold civilizing aspiration of the workingmen and the self-interest of the capitalist call harmoniously for high wages. * * * While advocating as just indicated positive government measures for the elevation of the masses, Mr. Gunton, is a sturdy opponent of paternalism and summarizes the general function of government thus: "That the controlling principle in public policy should ever be to minimize the necessary sphere of governmental action and authority, and to maximize the possible sphere of individual action and responsibility. In other words, the function of government in all phases of industrial, social and political life is to promote the development of the highest possibilities of the individual." * * * Mr. Gunton's work has a vigorously aggressive tone. Throughout it he takes pains to square himself with Marx, Rodbertus, Francis Walker, Henry George, Mr. Blaine, Mr. Atkinson, and the whole laissez faire and socialistic schools. He is a fair, open fighter, as even his opponents will acknowledge, and never seeks cover under those threadbare adjectives of recent economical literature—"crude," "unscientific," "illogical" and "sentimental." However widely, many of Mr. Gunton's fellow-economists may differ from him as to his new treatment of the more abstruse questions of political economy, all of them must acknowledge that his work, with its abundant statistics and its wealth of historical references, is the growing limb of a living tree, and not the brittle branch of a sapless trunk.

Burlington, Vt. Free Press, February 17th, 1891.

A clear statement of facts and deductions of principles, attractive and inspiring to the intelligent citizen.

Chicago Times, February 28th, 1891.

A few years ago George Gunton published a work called "Wealth and Progress," which was recognized as one of the ablest contributions of the day to the discussion of economic subjects. Mr. Gunton has followed this work with another in the same general line of thought which like its predecessor is among the ablest to be found in the field, and at the same time the most lucid in statement and the most attractive in treatment. In this latter particular the book is extraordinary. One can read but a few pages before asking how it is that a subject almost invariably heavy and dull is made so interesting. Without stopping to fully reply to the question it is enough to say here that it is interesting in a surprising degree. Perhaps one of the reasons is that Mr. Gunton has seized so fully on the essence of modern economic conditions and treats the whole subject from the modern point of view. * * * Mr. Gunton writes not only interestingly and lucidly but with great force, and though one may not always be ready to go with him to his conclusions, one will never hesitate to concede the strong pressure he brings to bear to that end. He not infrequently inverts the relations of things as men have usually regarded them, holding that to be cause which they have looked upon as effect, and e converso * * * One might go on quoting and commending and occasionally questioning at great length, but it is believed that enough has been said to show that Mr. Gunton has written one of the most lucid and cogent discussions of many of the most important problems of the day, and to stir the curiosity and interest of those who may see these lines that they will be impelled to examine the author's arguments as he himself states them fully.

San Francisco, Cal., Bulletin, March 4th, 1891.

He deals to some extent with facts, but more with argument, yet his arguments usually rests on a foundation of facts. Sometimes he seems to fetch up that familiar positions of unfamiliar paths, but on the whole he is suggestive and often convincing.

Richmond, Va. Times, February 22d, 1891.

The author treats his subject in the most thorough manner, and those interested in social progress should not fail to read the work.

The American Economist, March 20th, 1891.

It is compact, terse and condensed to the last degree, but it makes out its points clearly and firmly. It shows no indecision of mind as to any question treated. It has its own solution for all problems raised. Those to whom economics are usually dry will find plenty of interest here; those to whom such reading is usually duty will find this a pleasure, and, if we mistake not, many things are made simple which other writers have left confused. This book is full of paradoxes, yet it is not paradoxical, as it seems to be the very embodiment of sound common sense. It does not always reason, it states and explains. It carries its proof in its statement generally, though at times it argues away some time-hallowed error of former economists. Its forces is in its positive positions. It compasses the whole problem of human welfare—the whole method of human progress. It lays down the principles which have always governed it, and always must govern it. The book is careful, thorough, logical to an unusual degree, well arranged and written in an interesting style. It is heartily commended to all who are interested in the progress of man or the questions of time. It touches nothing which it does not enlighten, and has less of the current hazy verbiage of economic literature than any book on the subject. The author keeps on the track of the laborer constantly, not because he is a workman, but because the laborers are the majority of mankind and proportionately important. The book stands for a beneficent revolution in economic thought.

Boston Transcript, February 19th, 1891.

Mr. Gunton is thoroughly at home in his subject. He has thought upon no other for years. What he says he says clearly, and though all thinkers may not agree with him, no one can read his book without becoming thoroughly interested, and fully convinced on the author's honesty and ability.

Dubuque, Iowa, Times, March 8th, 1891.

In this volume are laid down the fundamental principles underlying the accumulation of wealth, the regulation of wages, the rental of land and all those great questions which are demanding solution. The book is written in a popular style and should be read by every citizen who desires to keep in step with the march of progress.

Philadelphia Bulletin, February 20th, 1891.

It covers a wide range in the field of political economy, and its views are expressed with moderation and with the skill of a practiced mind. This is especially to be observed in the chapters relating to a protective tariff, in which a great question is treated in a truly philosophical spirit.

Pittsburgh, Pa., Telegraph, February 27th, 1891.

The "dismal science" has become in Mr. Gunton's hands a symphony of brotherly love and humane consideration.

New Books.

The following new books have just been received and will be reviewed in THE SOCIAL ECONOMIST :

PRINCIPLES OF ECONOMICS, by Alfred Marshall, Professor of Political Economy in the University of Cambridge. Macmillan & Co.

A PLEA FOR LIBERTY, an argument against socialism and socialistic legislation, consisting of an introduction by Herbert Spencer and essays by various other writers. Edited by Thomas Mackay. D. Appleton & Co.

SOCIALISM NEW AND OLD, by William Graham, M. A. D. Appleton & Co. An account of contemporary socialism, its forms, aims, origin, the cause of its appearance and the feasibility of its claims.

CHAPTERS ON THE THEORY AND HISTORY OF BANKING, by Charles S. Dunbar. G. P. Putnam's Sons.

A TARIFF PRIMER; the effects of protection upon the farmer and laborer, Porter Sherman, M. A. G. P. Putnam's Sons.

THE READER'S GUIDE IN ECONOMIC, SOCIAL AND POLITICAL SCIENCE; a classified bibliography, American, English, French and German, with descriptive notes, title and subject index, courses of reading, college courses, etc. Edited by R. R. Bowker and George Iles, published by the Society of Political Education. G. P. Putnam's Sons.

THE DEATH PENALTY, by Andrew J. Palm. A consideration of objections to capital punishment with a chapter on war. Putnam's Sons.

THE SOCIAL ECONOMIST,

MAY, 1891.

Machinery and Culture.

In a charming book, entitled *Culture and Anarchy*, which reaches perhaps the top of literary quality in wit and finish, Mathew Arnold sets forth with all his grace the disastrous effects of modern progress upon English society, declaring that machinery and wealth "have materialized the upper classes, vulgarized the middle classes and brutalized the lower classes." He elaborates this notion through many picturesque and striking pages till a modern reader, feeling that after all perhaps things are actually better in modern England with all her shortcomings than they were with ancient Greece, begins to rub his eyes and ask if Mr. Arnold does not overpaint the matter and reach an epigram at the expense of truth. And his suspicion that this may be so is further quickened, when he reaches the end of the book and discovers, that Mr. Arnold actually brings no light to the discussion of either the trifling or serious questions which he discusses, either to the subject of the marriage of a deceased wife's sister, or that of the condition of the English industrial classes under free trade. Surely, he thinks, this is a lame and worthless outcome to so many words and so much style. Can it be, that culture which Mr. Arnold represents leads a man to only a futile dealing with everything he touches? Can the finest literary training of the age bring

nothing more forcible than he brings to the discussion of modern affairs? If this be so, certainly culture gives but a poor account of itself and fits a man for little more than empty generalization.

Further reflection, especially if one be led by a consideration of the really momentous incidents of our time, may generate the suspicion that perhaps Mr. Arnold was altogether wrong, and in fact just the reverse of right, and that really machinery is of much greater value to mankind than culture as he thinks of culture, and that wealth has been so far from "materializing the upper classes, vulgarizing the middle classes and brutalizing the lower classes," that these deplorable results have not been produced by machinery, but on the contrary all classes have been distinctly elevated and improved. Mr. Arnold then seems unfortunate in his view and would have been happier if he had seen the truth, which would have led him to delight instead of despondency. Machinery has done more for the human race than scholarly culture, and wealth more than all other things put together.

But leaving the assertion about wealth to take care of itself for the present, we may develop the thesis that machinery is of greater importance to mankind than scholarly culture as Mr. Arnold defines it to be, that is "reading and knowing the best thought of the time and seeking for sweetness and light in reflecting upon that." But here we are confronted at the outset with a difficulty in that Mr. Arnold—our bright and charming example of culture—did not know and read the best thought of the times at all. In fact he was grossly ignorant of the very best thought of our day, which is scientific thought, and quite careless of our highest aim, which is not to make a gowned scholar but to make a capable, conquering, resourceful man in human affairs. To all of which Mr. Arnold was as deaf and blind as if he had been brought up in China, and had looked forward to becoming a mandarin of the yellow button through reading and reflecting on the maxims of Confucius.

Now one branch of the best thought of our time is Economics,

and it is due to Mr. Arnold's complete inattention to that science, that he makes so gross an error as to imagine the only possible relief to the condition of the poor to lie in a voluntary restriction of the number of children on the part of the poor themselves—a remedy which only increasing wealth ever brings into play, and otherwise as futile as it is impracticable. For our poor are not poor because they are numerous, since a very scanty tribe of Indians or Bushmen in the midst of primeval forests is much poorer than our poorest every way, but our people are poor for the same reason that Indians and nomads are poor, because they have not desires enough to urge them forward to demanding better estates. And if Mr. Arnold had been less engrossed with Aristotle, and his "mean of virtue," he might have seen this very simple truth, and might further have discerned, that the wealth which he blames, and which has been produced by machinery, was really the true cause of such advance as the poor have made in this generation from the condition of serfs to that of citizens, besides being perhaps the cause that he himself, the very apostle of culture, is not like his predecessor and exemplar Erasmus, a mere wandering scholar and beggarly fugitive from monk and priest, scarce able to publish his books under cover, and poorer by the cost of their publication.

For these things he has machinery to thank, if he had only neglected Grecian culture long enough to see it; and then he might have escaped the folly of finding fault with his and our greatest benefactor, and the source of our best hopes for the future. For if he had but thought about machinery a little, being of so active and fair a mind, he certainly would have struck upon the fact, that machinery has changed the face of society more for the better in the half century of its dominance, than all the works of poet and philosopher, and all the study of classics and mathematics could change them in the two previous milleniums of their culture. The college still looks down on the workshop, and the student who analyzes the machinery of Homer's verse looks down on the

man who analyzes the machinery of a cotton mill. But for all that, the latter in one century has started man on toward perfection, whereas the former never started any but a few select souls and men of genius in that direction.

Now the great modern movement towards culture which is a movement by machinery, carries our whole democracy along with it. It is not the living spirit in the wheels, as Ezekiel said, but it is the wheels themselves that carry the burden of the world's movement. And the man, who neglects machinery, neglects all that can give his desire body, force and universal application.

Railroads and factories are the great expression of machinery, and the working of these is the prime factor of modern times. The main difference between '1791 and 1891 is that the first epoch used little machinery—if we except the guillotine—and the last uses much. The college was common to both eras, and had been an institution in Christendom for centuries, and always fondly believed itself to be the true ark of God, and star of such enlightenment as there has been in any age. But culture forgets to note, that the range of its light for ages was only the range of starlight in the large night, and produced no serious effect upon the wide darkness of the times. Nor was a general enlightenment possible till machinery came to cheapen books, and gave some leisure for reading to the masses, by releasing them from excessive manual labor for daily bread.

Not that this reading of books is the main thing. To think that, is to repeat the mistake of the disciples of culture, who falsely imagine books to be the only instructors and elevators of humanity, which they are not. For the great instructor and elevator of mankind is not books, but wealth, and wealth is already doing its work in lifting mankind long before books have begun to act at all, so that the professor and student of books only, is always at least ten years behind the movement of life in his thinking, and invariably comes too late to the assistance of the world with his sage reflections and double-distilled essence of wisdom.

He will be, as he always is, ready to explain how all should have been done, when the time is quite gone by for doing it; which fact may help to disclose why the scholar is never in the van of progress of any sort, and hangs a superfluous critic on the heels of every improvement. But nevertheless for such culture and power as books can give, Mr. Arnold, and most of us are mainly indebted to the machinery of the printing press, which even on his ground scores one for machinery, as he and his kind should be first to acknowledge. But all the same it is not books that do the greatest good, great and attractive as that good is. A factory will develop a town faster than a library and improve more people.

And really the greatest general benefit humanity has ever received from the cultured classes has not been, as they in their self satisfaction so confidently thought, directly from their ideas and their fine sentiments, or from their ability to criticise Homer, or to feel beauty, or to moralize deeply, but from quite another matter not insisted on by themselves in any way. It has been their large consumption of the finest and most expensive goods of their day, the best stuffs, and foods, and houses, and ships, and tools, and horses, and cattle, and carriages, by which they have profited mankind especially, since their large consumption has led to increased and more diversified production by workmen, and to the invention of new kinds of industries, whose pursuit was a living and training to the masses. Where the cultured classes were poor, as were the scholars of monasteries in the dark ages, they produced no effect whatever on the social movement of their time; the rich rioted in sensuality and brutality, the poor starved in squalor and misery, both unhelped of culture and untouched by it; the truth being that culture when poor is nearly impotent in its effect upon progress, or society, and that it is only rich culture that produces an effect worth considering, which effect is more the result of its wealth than of its culture, since no rich community can stagnate altogether, and no poor one can advance

much. Poor modern Athens cannot rival rich modern America. But not to cry off to another hunt, and to pursue our own proper quarry, we say that in and of itself machinery is really the greatest power for the good of the masses which mankind has ever hit upon. To say nothing about "the cities it has built, the railroads it has made, the manufactures it has produced, and the great mercantile navies it has floated in every sea"—which Mr. Arnold ridicules Mr. John Bright for saying—it is the machinery itself that brings forth the modern world in its power, richness and beauty. For it is by machinery that men are grouped together in cities where they meet and develop each other, as far beyond the rural standard of development, as Ericson or Morse is beyond a huckleberry picker in the Herkimer hills. And machinery by its severity, regularity and precision develops the man who tends it from a slouching, thoughtless and dull-witted lout into an alert, active and vigilant mechanic, who knows better than to take a dollar a day for his wages, because he has learned to want more than a dollar a day will give him. And the machineries by which mechanics live, instead of merely educating a few hundred men per annum at a high cost as do the colleges, are actually educating hundreds of thousands of workmen every year at a large profit to the community, and raising the social scale of the country beyond all past experience. They are making active citizens out of torpid rustics.

Then machineries further contribute to the general rise by giving to men increasing leisure and opportunity. Hours of labor are shortened in all machine-using countries; and multifarious interests created by new diversifications of industries; until he is indeed a poor shoat of a workman who does not find something better to employ his leisure than drink and the saloon. In fact the most do, as any one can see by looking into their comfortable houses, looking at their well-dressed children and wives, and talking over with them questions of politics and economics of the day. And who but they are the real force

behind the cry for opening public museums and art galleries to themselves on Sunday, when they are free to enjoy their share of public wealth? The increase of their comfortable leisure is something that no culture, and no sweetness and light, communing with its own loved self in well-fed solitude, ever chanced to think about, and certainly never could have arranged for, if it had. To give the masses the resources of leisure is beyond the reach of everything and everybody, however well intentioned except machinery. Nothing less than its swift and flexible fingers tireless as steel, multiplying production as an apple tree its blossoms, is able to cultivate square miles of corn and wheat, where formerly only acres were tilled, and to create train-loads of goods, where before only wagon loads were possible, and to spread them over continents where before they could scarce crawl through a county; nothing we say less powerful than this machinery could ever give more than a few lonely scholars even the time to cultivate sweetness and light as Mr. Arnold commends, or to know the best of what is thought and believed at the present day.

How without machinery was the opportunity ever to befall the masses to look for anything beyond a daily grind for daily bread, lasting as it used, to 14 and 16 of the 24 hours of every day? Verily Mr. Arnold seems to have been slandering the best agent for effecting his own purpose. He finds fault with the bridge which is carrying humanity across the stream of ignorance.

But to go still further, let us note how all the great questions which make the forward movement of the present day are questions which have originated among the machines of the time. Not to the colleges, or the college-bred are owing either the subjects of present public discussion, or the solution of our problems; but to the men whose mental training is innocent of Greek and Roman discipline, and careless of the precise modicum of sweetness and light they can derive from Yale, Columbia or Harvard. They are men on the locomotives, in the forge and foundry, in the cotton mill and factory towns, disciplined by the disputes of

trades unions and knighits of labor, their heads full of ideas of benefiting themselves and their children by the increase of their substance, and their country by adding to the general resources. Their minds are hammered into a tougher fibre by the strenuous blows of self-interest upon their discussion than any which a class-room disquisition on the nature of the Greek Aorist, or the difference between early and middle English is likely to make. They talk of real things, and so help to make a real world. They miss many of the refinements of a college course; they are not grammatical, or choice in phrase, they swear, and denounce, and get violent, and do many things which the University reprobrates and restrains; but the questions they raise, and have forced upon public discussion concern the substantial welfare of society to its very centre, and make for the uplifting of the rude world beyond the most sanguine dream of philosopher, or scholar in his gentleness and peace. And so far the college and the scholar look condescendingly down upon them and their movement, giving them now and then a word of rebuking advice, which is heeded about as much as a steamer heeds the pretty nautilus sailing across its ocean track. The scholars wonder what they will do next, and then return to their antique text-books dusty with the mummied wisdom of centuries, and as applicable to the present day as are the exhumed Pharoahs to the government of the American Republic.

We are not here contending that a man of culture is not pleasanter to look upon than a toilsome mechanic, and that he has not a wider horizon, for that contention would be false. He is as much more beautiful to observe as is the house of Vanderbilt than a clothing shop, or a shoe factory. And he is in a way a finer citizen just as a yacht is a finer boat than a freight steamer, or a tally-ho is finer than a McCormack's mower and reaper. But when it comes to helping and moulding society, to making the future world, to uplifting men, he is comparatively not important at all. He and his questions and his knowledge and his habits of mind,

excepting in the case of men of genius—who trained or untrained are a class by themselves,—furnish next to nothing to the great forward movement of the age, the movement of the masses to a higher plane of life. Usually he is found in the way of that movement, reprobating all that mechanics and employers who are conducting the campaign devise for its amelioration. He stands prattling like McVane at Harvard, or aloof and critical like Sumner at Yale, or amiably talking on both sides like Ely at Johns Hopkins, or fussily meddling like the Rev. Washington Gladden with philanthropic ignorance, or like Wilde and Morris advising that helpless imbecility of socialism,—the last craze of dreamer and theorist, very much as Rousseau and Diderot advised the rights-of-man theory to the French Revolutionists; but he furnishes no economic and actual solution to real difficulties, solutions at once sound and workable and rational.

Not that he is to blame. Far from it! It is only that culture, and admiring poetry, and ancient politics, and books written afar from contact with fact do not give the student the serious, free, realistic and solid quality of mind, which life demands of all who will understand and control it. And so, as we said, the questions of the day having for their object the uplifting of the masses are quite out of the reach of these students, and are pushed forward toward their own solutions through experience, and by the necessity-driven thoughts and measures of employers and employed whose concern they are. They think slowly, these machine-trained minds, but they think solidly at last, through having all the nonsense beaten out of them by the desperate and irresistible pounding of fact and the hope of gain.

And machinery has started the whole body of people in countries that use it, on the road to a higher state of existence. Nothing of the sort has happened in non-machine using countries. The masses of China are still asleep. The Arab and Tartar are as they were in the days of Abraham. The Russian is drowsy with his ancient slumber, and the Musselman in his poverty is still

content with crying "God is God and Mohammed is the prophet of God," as if that mattered. Spain also nods, and Italy just begins to rouse, but Germany, France, England and America are plunging deeper and deeper into questions of how the poor shall be made rich, the ignorant learned, the dull quick, the workmen prosperous and the whole community happy. Mr. Arnold warbles like a lark in the mid-heaven of his lovely culture, but the clank of the dire machinery which he abhorred is working out a larger benefit than that for which he warbled in vain. The colleges send forth a few hundred delicate and well-meaning graduates every year to keep us in mind of fine manners, gentle tastes, ideal and elevated aims, which can be safely pursued in a community already rich enough to be able to afford much for the fine arts. They also do their part in sustaining the refinements of life. They are amusing like Mr. Depew, poetic like Mr. Steadman, or athletic like Mr. Bob Cook and Mr. Walter Camp, or dignified like Mr. Evarts and routine lawyers, clergymen and physicians, or genial like President Dwight, or sometimes even progressive like President Elliot and tinctured with a faint interest in modern thought; but with the great constructive movement of the time they have as little to do as has the painter of a house with its architecture. The fashion of the house is the work of machinery and the men who live among the machines. The Vanderbilts, the Goulds, the Rockefellers, the Standfords and Mackays, Gompers, Powderly, the men who strike, and the employers who strike back, these are they who are deciding the future and from whose hands it is getting its fashion. They are making the politics, the laws, the wealth of the day. They are filling its magazines, newspapers and its halls of Congress. They are making human progress to hum on the smoking axles of the time, where the university and culture would let it drone helplessly on, as it did before machinery took the human problem in hand. Culture may be beautiful to see—a rose of civilization—but the savior of the people is machinery.

Not that culture might not be made an immense advantage to its possessors. It might, but it would be through the study of living knowledge and not the antique, through studies that discipline judgment more than memory, and make men original and inventive, rather than historical and critical, looking toward the future rather than the past. Of this however at present there is little hope. The teachers know only the past and one cannot gather grain from thrice-reaped fields. Only, so long as the present is perpetuated, let no one say that culture is doing more for men than machinery, or that the college is a better training school than life. It may indeed answer for the sons of rich men and those who desire to be ornamental more than useful, since ornamental it unquestionably is, and since ornament is also itself much in the world and has a serious importance; but even in the lending of ornament modern knowledge has much to say for itself as against old inutilities. Meanwhile machinery will address itself to its greater tasks and complete the uplifting of universal mankind, while our genial culture sits within its walls, and learnedly comments on the futility of machine-made men's efforts to speak the best English or their inability to appreciate Emerson and Arnold and Browning.

If culture were once to connect itself with the main interests and greater questions of humanity, it would gain so much in solidity and power that it would be able to be of far greater benefit. Were it once to master the great machineries,—the political, the economic, the scientific, the social, it would add to its own present resources of grace and good breeding, the additional competencies of fitness for life and its duties, fitness for leading and advancing men. And then it would so far surpass us,—who contend that machinery is carrying the day on all sides over culture as it now is,—by means of its superior breadth and geniality as to quite put us to the blush for our present contention. Then the people would have for their leaders not the rude and one-sided mechanics, who now, by virtue of having the root of the

matter in them and being engaged in active deeds, are shaping the future, but men of trained and comprehensive powers, who would be able to conduct the world forward without the waste and blundering, the discord and rage, that now attend the method of progress.

The bitter contention which deforms and distresses the course of affairs would give way to an orderly movement of well-planned and resolved measures. Instead of a progress slow, jolting and devious, like that of a farmer's ox-cart over a stony field, we might have one swift, smooth and direct like that of a flying express over the ordered rails of scientific foresight and determination. And though we now make light of our cultured friends, and point out their serious deficiencies, yet it is not because we despise culture, but because we regret that culture should be made of such wood, hay and stubble, as it is using for its materials, while it might have the gold and silver and precious stones of modern knowledge and modern affairs for its purposes. The routine cleverness and verbal facility of our educated classes might then be joined to a strenuous and virile potency, which would at once forward, elevate and fraternize the whole human procedure.

Economics of American Shipping.

In the study of economic science many of our people are heavily handicapped. This branch of knowledge has been taught so generally, not only from an English point of view, but from English data of fifty to one hundred years ago, that modern American experience is quite ignored, and advanced American thought turned aside and withstood. It is not surprising that our literary men, our journalists and statesmen have only a dim conception of the utilities of shipping, or imagine, as some of them do, that navigation is a "private interest" holding no relation to the public good. Since the rule of Cromwell there has been no need of dissertations to the British people on the usefulness of merchant fleets. That supremacy at sea is British destiny, instinct and reason with ambition have agreed. That is enough for them. Navigation being thus assured, English economic literature treats only of manufactures and trade; and partial views thus become the study of American pupils.

With the whip laid on manufacturers and the spurs put to trade, with shipping set aside and equal commerce slighted, false views of National interest are widely spread before our people. The great part played by British shipping, if seen or heard of, is treated as a piece of luck. It is never shown as an advantage that gains the day for trade, or a public service that often saves all over-strained pursuits. If thus it happens that our public is mistaught, is that the business of English authors or the deep concern of the American people?

To illustrate the case, here is an extract from an American writer:

"It is difficult to comprehend at a glance the full extent of

the changes in our industrial and commercial conditions, which are involved in a serious diminution of our agricultural exports. Probably no economic law is more rigid than that a nation's imports must in the long run be paid for by its exports. If its export of *goods* falls short, it must make up the deficiency by its export of gold and silver. If these are continuously exported, the consequent scarcity of gold and silver money will produce poverty and depression of prices, until the import of goods is checked and the outflow of merchandise is enlarged."

This sounds like science, but it ignores one controlling element of intercontinental trade—*ocean transportation*. The inclusion of this element is essential to correct calculations of foreign trade balances, as we shall see presently. This writer goes on to anticipate the working of our Tariff system, to increase prosperity and thereby to enlarge our import of luxuries and articles on the free list, causing our country to "still have a steadily growing volume of imports to pay for," and he inquires: "Where, then, may we look for a larger volume of exports, and to make up for the prospective decrease of agricultural exports?" And he continues: "A survey of our resources indicates that the only way [?] within our power to offset our imports, and prevent the impoverishment that would follow continuous exports of precious metals, is by the extension of our manufactures." And he adds: "During the past decade these exports have more than doubled, while agricultural exports have remained stationary."

On reading these quotations, which have been chosen as fair samples of partial economy, the thought that springs to the nautical mind is this: Here is an Economist who has never heard of shipping, or, if he has and knows its use in transportation, then he is unaware of its productive force, of its office in international commerce, and of the power it can exert for National good or evil, especially, as we may have it, or shall have it *not of our own*, in the foreign trade. Here is a simple problem that will illustrate the functions of a ship employed in foreign traffic.

There is a cargo in Liverpool and another in New York, each valued at \$10,000. Freight is the same both ways. An American ship takes the New York cargo to Liverpool, and a British ship brings the Liverpool cargo to New York. We build, equip, man, provision, insure and run our own ship, and the British do the same by their ship. We do the banking, commission, and insurance on our cargo, and the British do the same for their cargo. There is a fair exchange of goods and of services, and the balance of trade is *even* between the two countries.

Now suppose that a British ship carries both the cargoes. The freight is equivalent to twenty per cent. of value in each case. The banking, insurance, and other items are five per cent. Then the British account will stand:

One cargo	\$10,000
Freight on two cargoes	4,000
Insurance, etc., two cargoes	1,000
Total,	<u>\$15,000</u>

The American account will stand,

On cargo	\$10,000
Adverse balance of trade	5,000
Total,	<u>\$15,000</u>

From this example it will be easily seen that an adverse balance of over-sea trade may be due, not to a lack of export goods, (for which there may be no market) but to the freighting of a foreign marine, and the employment of foreign capital in banking and insurance in connection therewith. It is no answer to say that our people not engaged in trade and transportation are "as well employed" at other work, for this is not true, and there is no real way in which they can be *so well* employed, as in preventing panics, bankruptcy and ruin, by doing our proper share of international traffic, and thus keeping our precious metals at home. Or, if like Great Britain we have a marine able to do more than an equal share of foreign transportation, then let our

own be the nation to receive, instead of paying, adverse balances of trade.

It being the business of foreign shipping to create adverse balances of trade for rival flags, and the office of shipping of our own to make and maintain a favorable balance for our own flag, one must think it strange that such notable facts have gone a begging for observation in our enlightened country. It was otherwise with the Fathers of our Republic, and hence the creation of an American marine, by a wise protection of Shipbuilding and Navigation, as quickly as our very first Congress could act. The motive for this legislation, sometimes disloyally denounced, was not less, *safety in our foreign trade*, than preparation for maritime defence.

Our exposure now in both of these respects is much as it was when the Union of our States was debated. Great Britain then engrossed our richest commerce. An adverse balance of trade, *caused in the first place* by her marine, was crushing the country in all its parts. The imports in 1784 and 1785 amounted to \$30,000,000. Of this amount \$6,000,000 were for *freights*. That was 25 per cent. of the value of the goods. The exports to England in the same two years did not exceed \$9,000,000, carried mostly in British ships. Thus it was that the monthly London Packets carried off our money, a quarter million at a time, until currency could no more be paid, and ruin ruled on every hand. For six years *free trade* and *free ships* carried full sail. It was realized then, as it may be again, that an adverse balance of trade, whether for goods or freights, is equally distressing. The difference between the employment of a foreign and a home marine was well exemplified in this ante-Union, free-trade commerce. Granting that the transportation was wholly by British ships, the balance against us was \$30,000,000 minus \$9,000,000 equal to \$21,000,000. If it had been wholly by American vessels, then it would have been \$24,000,000 minus \$9,000,000 plus \$2,500,000 equal to \$12,750,000, or 40 per cent. less than it was. But if we

had been, as after the Union we became through protective legislation, "our own merchants" as well as "our own carriers," it is reasonable to suppose our exports would have been larger and our imports relatively less; while if we had been also, as now we are to a great extent, "our own manufacturers," it is quite certain the adverse balance of trade between the countries would have been for England to have paid. But what we have gained in manufactures, we have more than lost in Trade and Transportation—*with the remedy in our own hand*. A day of reckoning is coming.

The mistake that has been made is easily understood. In fact, one cannot know the history of our Government and be ignorant of the judgment of its founders, that shipping of our own was accounted equally important with the Union itself. The wise and great of every State spoke freely on this point. A statesman of South Carolina said: "A great part of the riches gained and revenue raised by England, through the monopoly of our own trade, may be saved to these States, by our becoming our own merchants and carriers." The prospect of Great Britain regaining the rule of the rebel colonies through the medium of Trade and Transportation excited the patriotic mind. While much was said of "regulating trade," so as to encourage manufactures, it was ever kept in mind that shipping of our own should surely be made one of the "four pillars of our prosperity," as Mr. Jefferson expressed it.

It is not our purpose here to trace the course of the American ship in history and politics, but to note briefly the fathers' care and the sons' neglect. Before the enactment of the protective laws, which built up quickly our early marine, foreign vessels, mainly British, were doing 75 per cent. or more of our foreign freighting. In six years thereafter, and for seventeen years following, they did but 10 per cent. of it. Then came the war of 1812, which was more a fight against our shipping power than any other thing secret or avowed. After that unjust and outrageous war, waged purposely to sink our ships, to capture our

trade, and restore dependence on "the Crown," and the failure of these purposes, in five years' time by the working of our protective shipping system we regained our power at sea, and held for ten years again a share of 90 per cent. of our foreign transportations. Thus, by wise laws our carrying trade was twice built up in a few years' time.

In 1789 we had 123,893 tons in foreign trade. The earning and saving power of this little fleet may be estimated at \$30 per ton, and its employment was good for \$3,716,790 to our credit on the balance-sheet of foreign trade. In the next year, (1790) we had 346,254 tons in foreign trade. The balancing power of that fleet was \$10,387,620. Up to the peace of 1815, twenty-six years, the average tonnage in the foreign trade was 682,832 tons. The balancing power of this fleet, constantly employed, was not less than \$20,000,000 annually, to which may be added for banking, insurance, and profits of trade an equal sum at the least. For the period mentioned the annual average value of our foreign commerce was but \$125,000,000. Thus, it was *by the means of its marine*, that our Country was enabled to get out of, and to keep out of foreign debt; and to import meanwhile so largely *per capita* as it did. The following Table will show the *average* condition of our Commerce and Navigation in three very interesting periods of thirteen years each; first, in our morning glory, 1795-1807; second, in our noon-tide greatness, 1847-60; and third, in our immediate past of failure and disrepute at sea, 1878-90.

Periods of time.	Tonnage in Foreign Trade.	Shipping per Capita.	Commerce per Capita.	Proportions of American carriage in foreign trade.	
				Imports.	Exports.
	Tons.	Cubic feet.	\$	Per cent.	Per cent.
First,	646,865	11.71	29.90	90.4	87.4
Second,	2,203,782	8.19	21.96	84.5	79.6
Third,	1,199,691	2.20	26.69	21.5	13.8

In the first period our favorable balance of trade was secured mainly by the building and running of a marine of our own by

our own merchants. In the second period it was about equally dependent on our shipping, our merchants and the mines of California, which furnished for shipment *fifty millions* of precious metals annually. In the third period and present time, our shipping helps but little; but, little as it helps, we might miss it greatly, if it were extinct. As we have said, exports of manufactures have taken its place to some extent, but our merchants and their profits having disappeared with our ships, we are going into the future with the single resource of the farm and the factory, to depend on, instead of adding the ship and the store, for discharging our foreign debts. A single resource is almost sure to fail. Our precious mines do not supply the loss of our merchants. Agriculture now pays for carrying seven-eighths of our foreign cargoes. This is a tax on every industry of our land. The payment of such a tax is wholly needless. It has been induced by stripping protective legislation from our marine in the foreign trade—an instance of the wisdom of the fathers followed by the folly of the sons.

The extent to which we have become dependent on foreign shipping, and the enormous sum paid out annually for foreign transportation is so great as to merit the deepest concern of every patriot. If we make a comparative statement of the total value of our oat crop and the freighting charges paid to foreign shipping for *eleven* years past, we will find the average of the period to be:

For the oat crop \$184,610,237

*For freight charges \$180,679,030

Now, although we have been raising oats instead of carrying goods, we cannot pay foreign freighting charges with the oat crop, unless it shall be sold at home, its value put into products salable abroad, (on which freight must be paid) or turned into gold for export.

Some political economists, affect acute distress, because our Government collects 'Tariff taxes' for its support. To the taxes collected by foreign shipping for the support of foreign Govern-

*On the basis of 15 per cent of value carried, and the passenger traffic not included.

ments they never give a patriotic thought. Here is a comparative statement of the Customs Tariff Revenue, and the Freight-
ing Charges paid Foreign Shipping, taking the average of periods
of twenty-one, ten, and two years past:

	Received from Customs. (Yearly average.)	Paid to foreign shipping. (Yearly average.)
21 years	\$188,148,198	\$157,960,483
10 years	209,260,074	180,323,625
2 years	226,750,662	195,515,660

The period begins with a ratio of foreign freighting tax to Customs Revenue of 49 per cent., and ends with a ratio of 90 per cent. The increase of "Tariff taxes" has been 18 per cent. and of foreign ship taxes 117 per cent. in twenty-one years. The decrease of "Tariff taxes" *per capita* has been 28.5 per cent., but, instead of a decrease of foreign ship taxes, there has been an *increase* of 31.6 per cent. in twenty-one years, and no "Economist" or "Tariff Reformer" lifts up his voice about it. The House of Representatives, even, has voted for higher foreign ship taxes, in defeating the Farquhar Shipping Bill, to encourage the building and running of shipping of our own. What wonder may we expect after that?

The writer quoted from in the beginning of this article, oblivious to the flow from the bung of foreign transport, urges to save at the spigot of goods production, by making more largely for ourselves and enlarging our "manufactured exports." Where would he find at home or secure abroad, a market that would meet the case of a serious loss in our foreign sales of leading staples, much more to compensate the loss of our marine and related industries? Why not see the wiser and the better course, to put the bung into the barrel, and stop the flow of gold into the lockers of foreign fleets? Adopt the policy of England. That is not theoretical "free trade," but practical ascendancy on the sea. Britain is great in factories, but she is sovereign in ships. She sells and buys with perfect freedom, caring nothing for the bal-

ance of trade, because her over-grown marine takes care of that, and her Treasury, her bankers, merchants, and underwriters maintain it. As between imports and exports her balance of trade is always adverse. For the five years of 1885-89, the average debit was \$465,720,857. But this difference was not paid in coin. It was easily discharged by the *service* of her steam fleet, alone, which, at \$60 per ton, could earn \$466,478,640 annually. Then Great Britain has a sailing marine, which, at \$30 per ton, can earn an additional sum of \$74,016,360. And these estimates are well within the mark. Great Britain would not part with her merchant marine for all the factories of the United States, for she is ruled by men who know the use, and appreciate the worth of shipping of her own, and they do not, as do we, depend on chance for its existence. Great Britain's independence, wealth and power have sprung from shipping. We learned this lesson at the outset of our career. Let us go back to the old book and study it over again.

WILLIAM W. BATES.

Future Location of Cotton Industries.

An inevitable consequence of social development is a movement towards a more economical adjustment of industries. The ever-increasing consumption of social products, and the use of larger capitals, and labor-saving methods with a consequent lowering of prices is steadily forcing producers, who use traditional methods, out of the field. Every wealth-cheapening process creates a disturbance in economic relations, and makes an industrial readjustment necessary. This process, though an inevitable accompaniment of social improvement, has always been regarded as an injurious necessity by those whom it displaced. To handloom weavers it came in the form of small factories, which they resisted with more force than they would use to resist a pestilence. When corporations appeared with larger capital and still better machineries, whose larger output undersold that of small factories, another disturbance arose, as adjustment became necessary, which roused the fierce opposition of small factory owners to corporations, so prevalent a generation ago. These experiences are now repeated on a higher plane, by the developments of trusts and syndicates, whose products undersell those of smaller corporations; and corporations are now denouncing trusts as "huge monopolies," simply because the cheaper products of trusts are forcing them to a profitless position, unless they adopt more productive methods. From like impulses workmen oppose the introduction of labor-saving appliances into their craft, often striking against the use of a new machine.

This antagonism to new methods, which raises a practical barrier to social advance, especially when supported by the press and public opinion as it generally is, arises mainly from a failure

to understand the trend of industrial progress. Neither capitalists nor laborers appear to realize, that the displacement of existing productive methods and industries, by others involving less labor to produce the same result, is an indispensable part of economic progress, and to resist this tendency is to resist social advance itself. On the contrary, they appear to act upon the assumption, that anything which threatens to disturb the established condition, and to supersede their methods by others more economical, is necessarily injurious. Consequently, instead of endeavoring to anticipate economic changes as a necessary phase of progress, and so to make transitions as gradual as possible, they have pursued a policy of resistance maintained until they are swept from their moorings as by a cyclone, often involving industrial and social disturbances, seriously injurious to the whole community. This uneconomic attitude has been frequently illustrated in the history of cotton manufacture, and until the lessons of experience are better understood, many disasters are in store for capitalists in that industry, in the near future.

The development of economy in production comes along two general lines. One is, the introduction of labor-saving methods into industry in the form of better machinery, or superior organization, and administrative ability. The other is, the transference of industries to more advantageous localities, where the cost of production can be reduced by placing factories near the source of raw material, or nearer the market for finished products. In other words, industrial progress involves economic development of instruments and economic selection of location. It is commonly assumed, especially by the let-alone school of economists, that if left entirely to competition, industries will always arise in those countries and localities possessing economic conditions most favorable to their success. Contrary to this *a priori* assumption, industries, especially manufacturing industries have often arisen and obtained a considerable degree of supremacy in countries and localities least suited to their highest development.

Another fact quite prominent in the history of manufacture is, that change of location is usually one of the last phases of industrial evolution. The reason for this is, that a change of location is always most reluctantly undertaken. The transfer of industries from one country to another is not only accompanied by considerable risk, but it further involves a radical change of social and economic environment, which is never voluntarily braved, except under the spur of exceptionally large profits, or the fear of threatened losses. Consequently we find in the development of industry, that improvements in machinery generally precede improvements in location.

This has been fully illustrated in the development of the cotton industry. The first great departure in the development of cotton manufacture from hand-labor to factory methods took place in England. For a considerable time after the invention of the power-loom, England was practically the cotton manufacturer of the world, although she was geographically more uneconomically situated for that industry than almost any other country. She was over 3,000 miles from the source of her raw material, and an equal distance from a large part of the market for her finished product. It was only because improvements in her machinery more than offset the disadvantage of her location, that she was able so long to secure supremacy in that industry. Now, one of the inevitable, and at the same time most beneficial results of the development of manufacturing industries is their socializing influence upon the laboring classes.* The varieties of social influence, which are brought into operation by the contact and intercourse of concentrated industries, not only stimulates the growth of new desires and makes a higher standard of living inevitable, but it also develops intelligence and force of character, which are sure to enforce demands for more leisure, better social opportunities and higher wages, by the improved social life made necessary.

Every effort of laborers for social advance, either in the form

*See Gunton's *Principles of Social Economics*, p. 323.

of a shorter working day, or higher wages, has been resisted by English manufacturers as destructive of their power to compete with foreign manufacturers. In 1845 the cotton manufacturers of Manchester issued a proclamation containing fourteen reasons why a ten-hour law would be ruinous to English manufacturers; and threatened to transfer their capital to the continent if the law was adopted, just as if a rise of wages and the social improvement of the masses could ever be prevented by the transfer of capital to the continent. They seemed not to understand that capital is to be encouraged, protected, or even tolerated, only on the condition that it contributes to social advancement, which is impossible without a rise in real wages. Whenever capital in any given form has become incapable of holding its position without arresting social progress, it has ceased to fill its function as a wealth-cheapening instrument, and is no longer of real advantage. However as a matter of fact the working day was reduced to ten hours, and wages rose. The predictions of manufacturers were not fulfilled. Capital did not flee to the continent, but remained in England with greater prosperity than ever before.

It is probably true however, that every advance in the direction of shorter hours and higher wages really constitutes an actual encroachment upon profits, and if the advance is very large, it may eliminate altogether the profits of smaller or less competent capitalists, sometimes indeed compelling them to leave the business. Since this is the only way any real improvement in the social condition of the masses can be secured, the question is whether a rise of wages or a reduction of the hours of labor should be prevented, in order to perpetuate the existence of the most incompetent producers. Were such the case, industrial progress would be arrested in order to preserve the existence of the least worthy. Such, however, is not the law of social evolution. The movement of society is forward and upward, and capitalists who can not aid that progress will not be allowed to prevent it,

but will be forced to adjust themselves to the movement in some other function, or to disappear. Nor is it injurious to the community. Since business surrendered for such reasons serves to increase opportunity for more efficient producers. Profits thus transferred from the manufacturers to the masses extend consumption, and furnish a new basis for the introduction of further improvements in machinery, and further concentration of capital. A net increase of wealth to the community is thus secured, and higher wages without permanently diminished profits become possible. In this way through the pressure of the rising social life, and increased demands of the masses upon the surplus products of industry, labor-saving methods have been forced into existence, and cheap products, which were impossible with the low wages of fifty years ago, can now be profitably furnished with wages more than doubled.

By using improved methods thus developed, England has succeeded in postponing the transfer of the cotton manufacture from Lancashire to locations nearer the source of raw material. When English manufacturers reach their limit in the direction of improved machinery in that industry, they will begin to work at a disadvantage, and the cotton manufacture of Lancashire will cease to be a profitable industry, since the use of similar machinery near the source of the cotton supply would yield better economic results. Nor does this fact necessarily bode ill for English capital, if the tendency be properly understood. There is no more reason why cotton cloth should be manufactured in Lancashire than why cucumbers should be raised in Iceland. The only reason why cotton manufacture developed in England was, that she could more than offset the disadvantage of a bad location, by superior methods and superior management. When she ceases to be able to do this, cotton manufacturing will cease to be a profitable industry, and capital will gradually leave it for some more lucrative, surplus-yielding investment. In other words English capital will either leave the cotton industry altogether, or

transfer it to a more advantageous location. That the cotton industry will be transferred to cotton-growing countries is as certain as is the progress of society.

If English capitalists recognize the fundamental principle in social development, namely, that maximum economy involves the establishment of manufactures in the nearest economic proximity to the source of raw material, they will see that future cotton manufacture must be in some cotton-growing country, and English capital and ingenuity must serve civilization, by producing commodities, for which it is economically better adapted, so that the transfer of that industry may become possible, without injury to England, and with great advantage to the rest of mankind.

On the other hand, if they continue to ignore the inevitable drift of this movement, and insist upon keeping that industry in Lancashire by means of cheap labor, after they have lost the power to keep it by superior machinery, they will soon find themselves in the midst of increasing industrial disaster, a foretaste of which they are already receiving in periods of depression, now becoming annual, and frequently involving general stoppage, or half-time working in the cotton industry.

The history of the cotton industry in America is strikingly similar to that of England; it has gone through many of the same phases of development. Through the application of a protective tariff in the early part of the century, the supply of cotton cloth for America was transferred from Lancashire to New England. A rapidly increasing home market in this country furnished an economic basis for the concentration of capital, and for the development of superior methods of production, which has eliminated practically all difference previously existing in cost of production, without lowering the American standard of wages. The socializing conditions accompanying greater specialization of labor, concentration of population and development of cities, here as in England, naturally inspired the masses with new desires, and led to their demanding a higher standard of living, involving higher

wages, fewer hours of labor, and other kindred improvements in their industrial and social conditions.

Having accepted English notions regarding the economic relations of labor and capital, New England manufacturers followed the same policy their Lancashire brethren had pursued, and opposed all demands of workingmen for higher wages, or greater social opportunities. The fact that American manufacturers were secured against foreign competition by a protective tariff, for the special purpose of improving the condition of American laborers, was apparently ignored except upon political occasions. And the industrial warfare of England was practically repeated in New England. The arguments presented in the English Parliament against the ten-hour movement in 1844 was rehearsed to the Massachusetts Legislature in 1874. For the same reason that capital was going to leave England if such a ruinous policy was adopted, it was going to flee from Massachusetts if the ten-hour law was passed, and in both cases when the hours of labor *were* reduced, the evil prophesies were not fulfilled. Such encroachment upon manufacturer's profits as a shorter working day at the same wages involved, had the same effect which it had previously produced in England, namely, to force capitalists to adopt superior methods, by which nature could be made to produce more at the same cost, and thus replace the profits which had been taken by the laborer's demands. This process has been going on for sixty years, during which time the ruin of our manufacturers has been repeatedly predicted, unless these concessions cease. Yet during that period wages of operatives have more than doubled, the price of cotton cloth has fallen 75%, and capitalists are better off than ever. In 1875, the first year after the passage of the Massachusetts ten-hour law, manufacturers could not make cotton cloth for less than five cents a yard, and to-day, despite the enforcement of that law and a subsequent increase of wages, they can make the same cloth at three and a quarter cents a yard, and obtain a handsome profit.

It should be observed in this connection, especially in considering the effect of reducing hours of labor, that New England manufacturers labor under one disadvantage, which did not exist in England, namely, a lack of uniformity in legislative action. Whatever hours of labor were reduced by statute in England, the law was uniform in its application to industry throughout the whole country, hence so far as English manufacturers were concerned it affected them all alike. In this country uniformity of legislation is limited to each individual State, and no industrial or political advance occurs in all States at the same time. On the contrary in nearly all these respects, Massachusetts has taken the lead not only of New England States, but of the whole country. She was first to establish a labor bureau. For generations she had led in nearly all movements for higher wages, and she has been distinctly in the vanguard regarding educational facilities and compulsory school attendance for working children; she has led by many years all other States in reducing hours of labor, and she is about the only State to maintain intact the democratic principle of annual elections.

Now it may be admitted, that suddenly to raise wages, or to shorten the working day to any considerable extent in one State, and not in others, is apt to impose a temporary disadvantage upon capitalists in that State. Although the importance of this point has doubtless been under-estimated by operatives, it has been greatly exaggerated by employers. This is due to taking a too narrow view of the subject. Instead of considering the new forces directly and indirectly brought into action by a given change of industrial relations, they, like Ricardian economists, reason upon the assumption that other things will remain the same. This they never do. Reasoning upon the erroneous assumption that "other things remain the same," led English economists to develop the theory "that profits fall, as wages rise." and *vice versa*, a theory always false because other things never remain the same under such circumstances. This is precisely

the case with the Massachusetts manufacturers. They assume that to increase wages or to reduce hours of labor, when their competitors in the neighboring States do not, is sure to make them poorer by that amount, because other things being the same, they will produce less. Their mistake is in failing to see that other things do not remain the same. In 1874 they actually expected the adoption of the ten-hour law to proportionately reduce their profits, and when after several years' experience, such was found not to be the case, it was insisted that the loss must have come out of the laborers. Upon the strength of this assumption Mr. Edward Atkinson and others declared before a legislative committee in 1879, that Massachusetts operatives were receiving one-eleventh less wages than were similar operatives in other New England States. So strongly was this insisted upon, that an official investigation was made, which proved that on an average Massachusetts operatives received nearly one-eleventh more wages than those of other New England States, instead of one-eleventh less, as had been claimed.

Nor is there anything strange in this when all the facts are considered. The simple truth is that each dollar produced more wealth under a ten-hour system in Massachusetts than under an eleven-hour system in the other States. This was the result of a number of forces brought into operation by this variation. In the first place, the reduction of the hours of labor in Massachusetts was a magnet of great attraction to the more intelligent, characterful operatives throughout New England, so that the best workmen naturally gravitated to the State where a shorter working day prevailed. This practically gave Massachusetts manufacturers their pick of New England operatives, and with it a greater average productive efficiency. Next, this higher average among their workmen made a higher rate of speed possible for their machinery. Through various improvements, and readjustments in these respects, during the first six years, a weaver was enabled to make six cuts (270 yards) a week per loom, in-

stead of five and a half cuts (247 yards) as formerly, or about one-eleventh more, with like gain in other departments. In consequence of these advantages and a gradual introduction of improved appliances, Massachusetts manufacturers have been as prosperous, their profit as large, the general rate of wages higher, and their products greater than in any other State, facts which they now frankly admit.

Moreover this progress has made a similar advance in other States necessary, and now nearly all the Eastern States have adopted a ten-hour working day. Thus, through the action and reaction of economic and social forces, the very change, which was confidently expected to destroy the profits of Massachusetts capital, ruin her industry, and impoverish her people, has led to an actual increase in her production, more leisure, higher wages, and lower prices, without diminishing profits to capital, not in Massachusetts alone, but practically throughout the Eastern States.

Nothing succeeds like success, the greatest incentive to progress is progress, high wages make higher wages necessary, freedom inspires efforts for more freedom. So it is with Massachusetts operatives. Having experienced great benefit by reducing the working time from 66 hours a week to 60, they now desire a further reduction to 54 hours a week, but with a highly creditable endeavor to avoid unnecessary industrial disturbances, they modify their demands from 54 to 58 hours a week. Yet, strange to say, manufacturers are opposing this moderate demand in the same manner, repeating the same arguments, and making the same dismal predictions, which have characterized their attitude on earlier occasions. In a remonstrance to the Legislature dated April 10th, 1890, the Cotton Manufacturers' Association say, "We desire to call your attention to the 58-hour bill now before the Legislature, and to point to some of the dangers which threaten the great textile industry of this State, and especially of Fall River, should this bill become a law." Then after pointing out the extent of the

cotton industry and its importance to the State, they add,—“Any legislation that tends to further (?) handicap, and burden this great industry with restrictions not placed upon our competitors in other States, no matter in how small degree, will, we believe, not only check our growth, but by lessened production and consequent increased cost, diminish the value of our product and the earnings of our operatives.” And they conclude their remonstrance as follows: “We therefore wish to enter our most vigorous and most emphatic protest against the passage of the 58-hour bill, because we believe that, should it become a law, it will lessen the value of our property; will diminish its capacity to earn dividends for our stockholders, and will, the day it goes into effect, cut down the wages of our operatives.”

It will be observed, that the objection urged against the slight reduction of working hours from 60 to 58 per week is, that it will increase the cost of production, but this would be equally true of an increase of wages, since that would have the same effect on the cost of production. Such reasoning would manifestly make higher wages, or shorter hours forever impossible, as those objections would be just as true at one time as another.

If capitalists would learn that profits are a reward for promoting progress, and when capital ceases to do that, its days of usefulness are ended, and its claims to public consideration gone, they would change their whole attitude towards the progressive movement of society. Instead of resisting all the influences which promote a rise of wages, or a reduction of hours, they would endeavor to forecast the movement of these influences and prepare for a readjustment whenever they occur, by devising better business machineries. They would also recognize the fact that when their resources in that direction are exhausted, economy will have to be sought in improved locations, and this movement will continue until it reaches the point, where it is impossible to advance further without permanently increasing the cost of production, or to take from nature in larger product, all it gives in higher wages or shorter hours.

It is urged that the opposition to a 58-hour law to-day is more justifiable than was that to a 60-hour law in 1874, because the possibility of increasing the product by obtaining superior operatives, and the mere speeding of machinery has been practically exhausted. There is doubtless some truth in this, but it only shows that, if Massachusetts is to avoid becoming a hindrance to progress, she must utilize her superior intelligence in devising new means of economy. The Draper shuttle-invention, which claims to save more than one-third of the labor of weaving, will help her in that direction.

The chief complaint, however, is based upon Southern competition. In their remonstrance already referred to they say: "We wish to call attention to the great danger which threatens us from the competition of Southern mills. In addition to the natural advantage of abundant water-power, cheap coal, and nearness to the cotton fields, but few restrictions are placed on hours of labor, which vary from 66 to 72 hours per week." What they really ask then is, that the transfer of cotton manufacture to its most economic location, where "the natural advantage of abundant water power, cheap coal, and nearness to the cotton fields" exists, shall be prevented by checking the social advancement of the laboring classes in Massachusetts and the East.

For Massachusetts capitalists to say, they are willing to adopt a 58 or a 54-hour system when all their competitors do the same, is to say nothing to the purpose. Exceptional privileges always imply exceptional duties and responsibilities. Those, who lead in the march of civilization, always have to experiment with new institutions and new methods. This is as it should be, since those, who have had the advantage of higher civilization and greater intelligence, are most capable of dealing with new conditions. That is why the more advanced countries, like America and England, always have to endure agitations for political, industrial and social concessions, from which such countries as Austria, Russia, Turkey, and India are exempt. In short, increased demands for

wealth and freedom by the masses are inevitable accompaniments of a rising civilization, and if American and Massachusetts manufacturers desire to escape these conditions and enjoy the peace of the immobile, they have only to retire to the rear of civilization. They can enjoy all the advantages of long hours and low wages by going to South Carolina, Mississippi, or better still by going to Southern Russia or India, but to do that, they must surrender freedom, safety, culture and other advantages of a high civilization. They cannot have advanced social life and intelligent operatives with low wages and long hours. If, therefore, they hope to remain at the head of civilization, they must be prepared for an ever increasing social advance. When they can no longer hold an industry without checking the laborer's progress, they must conclude either to change their industry, or their position in civilization.

For the same reason that in the economic development of industries, England must ultimately surrender the manufacture of cotton-cloth to America or India, when she ceases to obtain her profits from improved methods, so New England will have to surrender that industry to the South, when she fails to offset by skill and machinery the natural advantages afforded by location near the source of raw material. This is an irrevocable law in social evolution which capitalists must recognize, or pay the penalty. If, for any reason in the zigzag movement of civilization, an industry has its rise at great distance from the source of raw material, the fact that it can only hold that position by the development of superior methods, compels the superior civilization to furnish improved machinery in place of inferior. And this improved machinery is transferred to the inferior country as soon as the superior stops improving it. It is in this way that factory methods, which arose in England, are getting transferred to less civilized countries. It is only by this economic adjustment of industry, that maximum economy in production can be accomplished, and every nation and locality be led to follow the industries for which they have

the greatest economic capacity both as to the character of people, and the nature of physical opportunities.

The ultimate transfer of the cotton industry from New England to the South may be regarded as an inevitable consequence of industrial development, which should be neither feared nor prevented. Indeed, it is to the development of manufactures in the South that we must look for real civilizing forces able to make the Southern States an integral part of our civilization, which they have never yet been. This does not mean that New England manufacturers should surrender the cotton industry, but it means that they should only endeavor to hold it by the use of superior economic methods, and not by resisting the influence of social improvement; in other words, improved machinery, and not by inferior labor.

Nor will the transfer of the cotton industry to the South necessarily injure New England. Just as fast as the cotton factory is transferred to the South by virtue of higher wages and shorter hours, social life in the East will rise by new and more profitable industries of a higher order to more improved social life. If instead of antagonizing this movement, they anticipate it, and adjust themselves to it, the change will not be sudden or injurious, but will come almost insensibly, and capital will gradually be transferred from cotton manufacture to other more artistic industries, for which the South itself will begin to furnish a market, as it gets the socializing influence of manufacturing industries. This tendency has already set in, and some of the coarser fabrics are now made in Southern States. And silks, fine woolens, carpets, jewelry, clocks, and numerous other finer industries are gradually taking their places. The same is true to a considerable degree of iron. If Eastern manufacturers will recognize this important fact, and seek to adjust themselves to new industries, and let the production of cottons, stoves, etc., go South, they will not only contribute more to our national development and the growth of our civilization, but they will avoid many disastrous conflicts, which must inevitably accompany any attempt to keep the cotton industry in New England by resisting the progress of Eastern laborers.

History of Eight Hours in Australia.

That a general reduction of the hours of labor is a most effectual means of increasing the social opportunity and permanently improving the condition of the laboring classes, has now become a demonstrable fact. It is one of the few demands by laborers that has invariably succeeded. As a method of industrial advance it has now an unbroken history of nearly three-quarters of a century, and during that time it has been applied in different countries, States and industries, and without a single exception has proved a permanent advantage, not to laborers alone, but to all classes. Increased general intelligence, higher social and moral character, better citizenship, higher wages, and greater industrial prosperity have always followed the permanent and rational adoption of this policy. So unmistakable is this, that a fair trial has never failed to convert its original opponents, often transforming them into ardent defenders.

In England the beneficial effect of the various reductions of the hours of labor, and particularly of the adoption of the Ten-Hour law, was so conspicuous that many leading statesmen, who opposed it, subsequently publicly admitted their error in Parliament, and testified to the great advantages that had resulted from its adoption.* The same is true of Massachusetts. Although the bulk of manufacturers in that State vigorously resisted the adoption of the Ten-Hour law, they are now practically unanimous in their approval of it, and while they are not ready for a Nine-Hour law, they would oppose any attempt to return to an Eleven-Hour system.

Thus far however, the only place in the world where any general attempt has been made to establish an Eight-Hour sys-

*See Gunton's *Wealth and Progress*, pp. 304-328, also "The Economic and Social Importance of the Eight-Hour Movement."

tem is Australia. And now after a trial of 34 years, comes the testimony that an Eight-Hour system in the Colony of Victoria has been an unqualified industrial success—a benefit to all and an injury to none. The story is told by Mr. John Ray, one of England's ablest economic writers, in "*The Economic Journal*, the journal of the British Economic Association." After describing the early struggles for eight hours by a small band of seven hundred laborers in Victoria, and the general opposition they had to encounter, he says: "But now, there is not a turbulent thought; Parliament adjourns for the day, the Colonial offices are closed, and the Governor-General, after witnessing the show from the Treasury windows, drives on to the Gardens, receives a loyal address as the representative of the Queen, and then, with leading statesmen and some of the largest employers of labor, sits down to a banquet as the guest of the workingmen. Speeches are made, in which capitalists, politicians, and laborers all rejoice together over an experiment that once caused many anxieties, but which they now acknowledge has, without doing any injury to trade, given the working people the time to live the life of rational beings, and in the opinion of some of the speakers, has even developed that remarkable love of out-door enjoyment which is now creating a merrier England under the Southern Cross."

In describing the struggle necessary on the part of laborers to secure and maintain an eight-hour day, he says: "The building trades, everywhere the pioneers of short-hour movements—the masons, quarrymen, bricklayers, carpenters, plasterers, painters, plumbers, and builders' laborers have enjoyed it uninterruptedly, though not without severe struggles, since 1856. The coach-builders also won it at the same time, but lost it in 1859, and did not recover it again for more than twenty years. In amends, however, the iron trades—engineers, boiler-makers, and iron-moulders—obtained it in 1859, but for the next ten years the only accession to the movement were the ship-wrights. From 1869 to 1879 only five more trades joined—the seamen, sail-

makers, brick-makers, gas-stokers, and mill-sawyers. In 1879 there were seventeen eight-hour trades in Melbourne, in 1883 there were still only twenty, but in 1884 there were nine new accessions, in 1885 there were five more, in 1886 ten more, and in 1888 four. The new accessions include every variety of occupation, skilled and unskilled—bakers, brewers, saddlers, tobacconists, glass bottle-makers, bootmakers, wharf-laborers, agricultural implement-makers, tanners and curriers, cutters and trimmers, pressers, brassfounders, portmanteau-makers, timber-yard employes, aerated water and cordial makers, ironworkers' assistants, railway and public service laborers (navvies), wood-turners, brush-makers, wicker-workers, cigar-makers, corporation laborers (scavengers), engine-drivers, malsters' assistants, furniture trade employes, confectioners, coopers, coach-builders, felt hatters, printers, bookbinders, tinsmiths, japanners, and farriers. The only trades which still work long hours are the dyers, the tailors (except the cutters, trimmers and pressers), the textile workers, and the rope-makers. Agricultural labor, too, remains out of the short-hour movement."

Speaking of the bakers Mr. Rae says: "Before then, the bakers of Melbourne had been working fifteen hours a day. They bethought them—so they reasoned—that they had been for a long time paying for short hours to their neighbors, and that their neighbors ought now to pay for short hours to them; they resolved to have their day reduced first to ten hours, and then, after a few months, they resolved again to have it reduced to eight, and though far from being a powerful trade—for they are scattered in very small shops employing only two or four hands each, so that in a strike men's places are easily filled—they succeeded in securing this reduction of their working day, and what is not a little remarkable, in securing it *without putting a farthing on the price of the loaf*, without losing a six-pence of wages, and without providing room for more than half the unemployed bakers in the city. Their victory made an impression on other

trades, and the movement spread. In obtaining that victory they owed much to the support given them by powerful organizations of the combined eight-hour trades. * * *

Possibly a new and better educated generation had arisen, but anyhow they came to set a value on the short day they had not set before, and to feel it to be for them, what it already was for so many of their friends, an essential of existence. One more section of the working class had added the short day to their standard of life, to the sum of comforts which the opinions and habits of their class make daily necessities of being; and the sentiment passed on from trade to trade, and stopped only when it reached those which are largely affected by the opinion and habits of women. The principal branches of industry in which long hours still prevail in Melbourne are those in which women are largely employed—the tailor trade in which two-thirds of the hands are women, and the textile factories, like wool-mills, for example, in which there are three women employed for every two men. * * *

The English Ten-Hours Act was always more popular, both before it passed and after, among the adult males, whose earnings it incidentally reduced, than among the female operatives for whose special protection it was devised. Its advocates had never done complaining of the apathy with which it was viewed by the married women, and the persistent opposition of the unmarried. And in Melbourne the voice of the female factory hands before the Shop Hours Commission in 1883 and 1884 was raised in favor of the long working day. * * * The Factory Acts of Victoria of 1874 and 1885, accordingly, which provide an eight-hours' limit for female work in factories, have remained in suspense from the first at the female operatives' own request."

Thus we see that in Australia as everywhere else, those get short hours and high wages only, whose social necessities impel the demand for them, and women's wages are lower than men's because they are contented to live on less than men are. Al-

though Mr. Rae, who still holds the supply and demand idea regarding wages thinks wages cannot be increased by shortening the hours of labor, is forced to admit that reducing the working day did not reduce wages, and says: The wages in all the building trades remained exactly the same from 1856, when they shortened their hours of labor, till 1860. * * * We have figures for only some of the trades which obtained the eight-hours day in 1883 and the following year, but these figures show the same result. The bookbinders, who got the eight-hours day in 1883, had from £2 to £3 a week in the years 1880-83, and they had still £2 to £3 a week in the years 1885-87. The coopers, who obtained the boon the same year, had 10s. a day in 1880-83, and still had 10s. a day in 1885-87. The bootmakers, becoming an eight-hours trade in 1885, were still paid in 1887 at the old rates, but then they were piece rates. The tanners adopted the system in 1886, and were still paid the same old rates of wages in 1887. The saddlers, who first joined the procession in 1885, had £2 to £3 a week in 1883-85, and still had from £2 to £3 a week in 1886-88. The printers and hatters who are paid by the piece, effected a small rise, but whether enough to keep their daily earnings the same as before, I am unable to say, and the farriers' wages, which did not rise the first two years after the change, showed a tendency to rise in the next two. The bakers, who had been paid 40s. a week up to 1881, received only from 25s. to 35s. in 1882 and 1883, but after the reduction of their hours from 15 to 10 in the latter year, their wages arose to 50s., and when their hours were a few months afterwards again reduced from 10 to 8, their wages remained unchanged, and have been 50s. a week ever since. * *

A shortening of hours has always two immediate effects—it improves the mettle of the masters, and it improves the mettle of the men. The masters set themselves at once to practice economies of various sorts, to make more efficient arrangements of the work, to introduce better machinery or to speed the old, to try the double-shift and other expedients to maintain and even

augment the production of their works. The men return to their toil in better heart after their ampler rest, reinvigorated both in nerve and muscle, and make up in the result sometimes in part, sometimes wholly, by the intensity of their labor for the loss of its duration. Victorian experience shows the recoupment almost complete.

There is an occasional tendency, apparently, to a diminution of the number of establishments in a trade after the shortening of the day, but none to the diminution of their gross product. Probably some of the weaker employers—those with insufficient capital or inferior skill or old-fashioned plant—are forced by the change to go to the wall or to amalgamate with a more enterprising neighbor.

The brewers of Melbourne conceded the eight-hours day in 1885; and some of them, as I am informed through private sources, had recourse within the following years to the double-shift system, and acknowledged that while they had looked with great dread to the effect of the short hours before they were granted, they have found themselves now more prosperous than ever."

Mr. Rae then gives several tables of official statistics from a number of trades, including saddlers, bootmakers, agricultural implement makers, coach-makers etc., showing that the number of establishments diminished, but the horse power and the product per laborer increased under the Eight-Hour System. In other words that greater concentration of capital, improved machinery and efficiency of management were brought into requisition, which refunded to capitalists in larger production what they had given to laborers in shorter hours; a result that accompanies every step of true industrial advance. And the more economic and rational the means by which the advance is brought about, the more certain is this result to follow, and everybody ultimately be better off by virtue of the laborer's improvement.

After enforcing his statistics by the testimony of a large

number of leading men in Australia, and of Englishmen who have visited Australia, he proceeds to discuss the use workingmen have made of the increased leisure, and its influence upon their social character, and says: "What use does the workingman of Victoria make of the leisure he has obtained through the eight-hours day? The 'go' and energy he is said by so many observers to put into his work is itself good evidence that he does not spend his time in vicious dissipation. If a shorter day in the workshop meant only a longer evening in the tavern, he could not possibly show such signs of invigoration, and his day's work and his day's wages would soon have hopelessly declined. The general opinion in Victoria is that the habits of working men have improved, and not deteriorated, through the short hours. By leaving work early in the afternoon, they are enabled to live out in the suburbs in neat cottages with little gardens behind them, which are almost invariably owned by their occupiers, and they spend much of their leisure tending their little gardens or in some out-door sport, or with their families. The two effects of the Ten-Hours Act in this country (England) were the multiplication of mechanics' institutes, night schools, and popular lectures on the one hand, and the multiplication of garden allotments on the other. Work-people had neither time nor energy for such pursuits before—the only resource of the languid is the tavern. But with a longer evening at their disposal, it becomes worth while devising other ways of enjoying it, and favorite means among the English factory hands seemed to be the mechanics' institute in winter, and the garden allotment in summer. So also in Melbourne. There is a peculiar affection in the way the working people, who gave evidence before the Shop Hours' Commission spoke of their gardens, and this little possession has become an established institution among the working class of that city—part of their customary standard of existence. There are regular auctions of building ground on Saturday afternoons, to which the workers go and buy their lots. They then erect their cottage

and lay out their garden, and gradually pay off the cost. People are fond of celebrating the social and political virtues of a peasant proprietary, but the city of Melbourne has even a better wall of security in the belt of working-class cottages by which it is encircled, and the pride of the modest owners in their little home and garden diverts them not merely from political, but from convivial temptations. The population has thus been undergoing most important changes of national character, which could not have come about at all without the longer leisure provided by the eight-hours day.

In the same way there has been developed that remarkable love of out-door recreation which is now characteristic of Victoria. The bright, warm climate no doubt encourages this disposition, but the shorter day of work allowed the opportunity for its gratification. Nor do the Victorian people neglect more intellectual pleasures. Every visitor to Melbourne, for example, remarks on the magnificent Public Library of the city, thronged with working-class readers on the Saturday afternoons. Sir John Cooke found 605 readers there when he visited it—about half as many again as the great reading room of the British Museum will hold—and he was told by his guide, Sir R. Barry, that that was about the usual number on the Saturday afternoon. In the matter of free libraries, Victoria is far before us. It has 229 for its population of a million, while the whole United Kingdom can as yet boast only 200 for its population of thirty-six millions. The Melbourne Working Men's College has more than 2,000 students, and 53 per cent of these are genuine artisans or day-laborers. Shortening the day necessitates developments like these. Leisure now and then may be largely wasted in drinking more, but where the working-class get it as a permanent possession they devise, almost of necessity, many different ways of employing it, and every new device is, so far, a successful rival of the tavern.

The public-house interest in Victoria accordingly has al-

ways, I believe, been opposed to the eight-hours movement, and at some of the early elections it used all its influence against Ministers like Captain (now Sir Andrew) Clarke, who had shown favor to the cause. * * *

* * * Now, all these things simply could not be, after thirty-four years of the short day, if the effect of shortening the day were, as many persons are forward to assert, to increase dissipation, and not as others say with more justice, to diminish it.

* * * Altogether, the more we examine the subject the more irresistibly is the impression borne in from all sides, that there is growing up in Australia, and largely in consequence of the eight-hours day, a working-class which for general morale, intelligence, and industrial efficiency is probably already superior to that of any other branch of our Anglo-Saxon race, and for happiness, cheerfulness, and all-round comfort of life has never seen its equal in the world before. For all this advantage, moreover nobody seems to be a shilling the worse. * * *

Shortening the day has apparently once again proved its own reward. * * *

Theoretically there must be a limit in the division of work and rest at which the maximum profitability, or what is the same thing, the maximum efficiency, is reached; it would probably be different for different nations and individuals as well as different trades; but the fact that the eight-hours day has been introduced without any disadvantage into so many varieties of occupations in Victoria suggests that that limit will be found, for the English race at all events, generally rather below than above the eight-hours day.

Wages as a Criterion of Civilization.

"This one fact the world hates that *man becomes*,"—R. W. EMERSON.

Economists of the past have been largely spokesmen for a favored few; they have advocated such measures and disseminated such doctrines as seem likely to perpetuate the power of the few to the exclusion of the many. Men have had the effrontery to call that civilization which represented the wealth, intelligence and morality of a few, and have failed to realize the fact that past civilizations fell because of their exclusiveness, because remunerative returns for labor expended were confined to a few.

So that the history of civilization thus far has been the history of the lack of it, and the history of wages the history of the smallness of them.

Wages arise as a necessary result of man's social nature. It was an increasing urgency of unsatisfied wants on the part of the laboring class, that brought about the transition from serfdom to wagedom. That was the acquisition by the laborer of the power to form a compact, and was an unmistakable sign of advancement in intelligence, self-respect and individuality. The present demand for shorter hours and higher wages is likewise the result of another stride of what may be called inherited intelligence in the laboring classes which constitute the larger part of the human family, and whose improvement alone can make civilization general until by the production of more wealth, and its equitable distribution through the medium of higher wages, poverty shall be gradually driven from human society, when, like Apollyon, it shall stretch its dragon wings in flight, and the civilized world see it no more forever.

Wages may be defined as the means of gratifying wants, and relatively to capital, as the price of service. Civilization may be defined subjectively as an increasing percentage of gratified wants, objectively, as the distribution of an increasing amount of well-being among an increasing proportion of the human family. As long as people believe that poverty must and always will exist, they will resort to all sorts of uneconomic methods by which to palliate the evils connected with it, but let it once become a *race-conviction* that poverty need not, nay in the name of all that is reasonable, must not exist forever, then we shall look about for economic methods, which, accompanied as they will be by political power and social opportunity, will rapidly supersede such industrial attempts at reform as profit-sharing, such social methods as charity giving, such political methods as repressive legislation. Poverty has been on the decrease since the beginning of civilization; by stimulating those forces and influences which decreased it thus far, we shall do much toward expediting its final extinction. What the laboring classes want is not necessarily land, but the means of securing more of the benefits of the civilization thus far attained. Mr. Tolstoi is not alone in thinking that if land were free, men would instantly renounce the advantages and opportunities of city life and flock into the country. He does not see how absurd his ideal is, however, since city life is the very thing that differentiates our modern civilization from that of the feudal age, and it is in cities, and near cities that wages are the highest. Cities were the powers that enforced the wages-system in the first instance, and it will be in cities again that the recent demand for higher wages, and fewer labor hours will be enforced, for the promotion of individual and social well-being, and in the name, and for the sake of higher civilization.

If cities may properly be regarded as the active centres of civilization, then the poverty, vice and crime connected with them must be eliminated, not by abolishing cities, but by increasing the desires of citizens, and raising their standard of living,

and still more by creating new industrial centres, and forming nuclei for new cities. We want no species of abolition, or revolution, but only industrial evolution. We must take cities and the wages-system as they now are, and use them both to better advantage. In spite of evils thus far connected with the wages-system, which have prevented its full development, it must be regarded as an advance on the part of the laboring classes towards a larger share in the results of civilization. All other methods of reform are temporary or local, or in some other way inadequate, and bear no sort of comparison with the transforming, wide-spread, and enduring effects, which always result from an increase of wages, and easily do away with the necessity for charities, profit-sharing and other shiftless methods now more or less in vogue.

But pessimism in ecclesiastical garb has taught the total depravity of man, so that to increase wages would be only to lower civilization by giving men larger opportunities to go to the bad; in philosophic robes, it has taught us a sour-grape theory of life—to despise what we could not get, or to get it by immoral means; in economic attire it has taught the false doctrine of supply and demand as the determining element in wages and prices, and given us a fixed wages fund as a basis for the distribution of wealth, thus turning political economy into a bitter and depressive science.

The political economy of the past has thought of wages as tending to a minimum. A modern writer calls it "the service of limitations," whereas it should properly become the service of the removal of limitations to human well-being. We have had suppression, oppression, and repression of the wage-receiving class, but the hour is close at hand when over a large portion of the inhabited globe, we are to have an emphatic *expression* of the will of the wage-receiving class, which will mean higher wages and a closer approximation to an ideal civilization.

Economic science, or want of science, has taught that the

only remedy for poverty was war, pestilence, famine, the restriction of marriage, and the suppression of offspring. If such a doctrine as that had not been offset by the will of the wage-receiving class, civilization would long ago have been "past praying for," but as an old saying has it—"Everybody knows more than anybody," and the instincts of the wage-receiving class have been wiser than its doctors and law-givers. The whole body of economic doctrine which we have inherited from the past has been invalidated, or vitiated by its tendency to ignore man as the pivotal point of all economic movement. If, however, we make man rather than things the starting point, and observe how man's increasing intelligence has enabled him to make larger drafts upon nature, we shall then see more clearly, how fundamental is the relation between wages and civilization. It is because wages represent the well-being of the masses that they are to be regarded as the criterion of civilization, and when this is once clearly perceived, other points settle themselves more easily.

It should be distinctly understood that there can be no solidity of the race, no permanency of institutions, no fraternity of man until the material well-being of the masses has first received due recognition: Wages high enough to secure ample food, clothing and shelter, the possibility of wife or husband, of home and family, leisure for recreation and culture—not for the few alone, but for the many, and ultimately for all—this is civilization's line of march, and wages are its standard bearers. The world, despite of croakers, is really growing better, not because there are any people now living more moral than Socrates, more sympathetic than St. John, more learned than St. Thomas Aquinas, or more intelligent than Plato, but because a continually increasing proportion of the human family are becoming more moral, more sympathetic, more learned, and more intellectual, and all this has been made possible by a greater distribution of wealth among the masses in the form of wages, or a larger remuneration for a day's labor.

There is nothing that betokens so much for the good of society and the interests of civilization as the present demand for higher wages, backed as it is by the increasing intelligence of the masses. But the interests of labor cannot be forwarded except by intelligent direction of the static conditions of society; such interference has always been the key-note of an advancing civilization. The old order of things must be interfered with, and all forms of doing for the individual must be superseded as rapidly as possible, by such methods as enable the individual to do for himself. No religion is adequate which does not foreordain and predestinate the salvation of all; no civilization is fit to survive which does not make the interests of all its governing principal. Church, State and Society must adapt themselves to the modern conditions created by the factory system. The largeness of wages and of profits, the smallness of prices depend upon man's drafts upon nature, and the proper distribution of the results. Nature never protests notes legitimately drawn upon her by the combined forces of labor and capital. To raise wages in response to the increasing intelligence and efficiency of the laboring class, would be worth more than all other reforms put together, since it would raise the *general level* of well-being, reduce the incentive to crime and vice, and render less necessary the prisons, poor-houses, hospitals and asylums, which now disfigure the fair face of christendom. Victor Hugo was not wholly wrong when he intimated that if such things exist it was society's fault; or, as he expressed it "it is your fault, my friend, and mine," since we should bestir ourselves for their removal. The evils of over production would also be lessened, since the capacity to produce would be responded to by the widespread capacity to buy. Great wealth among a few to the exclusion of the many induces a kind of congestion in the constitution of society. What is wanted is a normal circulation of the good things of this life. This is a "consummation devoutly to be wished," and it can only be brought about by steadily raising the purchasing power of a day's work, till it inaugurates an industrial evolution and a higher civilization.

W. E. HART.

Social Questions in Magazine Literature.

In the *Contemporary Review* Mr. Edmund Gosse writing on "The Influence of Democracy on Literature" lends us a shining example of what we have elsewhere said on the merely ornamental character of culture.

He is evidently somewhat of the general opinion of the macaroni school, that democratic appreciation may "come between the wind and their nobility" with its bad smells, and yet is vaguely struck with the fact that even in literature, things are improving; though the neglect of Mr. Arnold's writings with others of his school might lead one to be dismal about the trend of literary matters. Were he not trained to think of views and words instead of real things and facts, he would see that the wide appreciation of Tennyson, which he himself mentions, was ample proof of an increasing interest in literature everywhere. And he had only to remark the ever-waxing volume of books good and bad from the press, to see that an ever-enlarging circle of persons must be getting educated up to the best, by the mere mechanical habit of reading much. He stumbles indeed over the threshold of this discovery, when he confesses that the newspapers treat literary matters with growing sincerity and frequency, that Darwin, Morris and other good men are read, and that French literature was never so excellent as since it undertook to write for the masses.

It would be a scurvy comment on letters indeed, if it were true that, to be at their best, they must appeal only to the few. Shakespeare and Homer wrote perhaps reasonably well, and have found readers even among the many-headed, so that any writer who is afraid of injuring his "style" if he attempts to become popular may take heart, and venture the experiment. It might

teach him something. Democracy can only help literature, since the greater the audience the greater the number of writers, and the best of many competitors must be better than the best of a few.

Mr. G. P. Hamerton writes on the desire of a "Positive basis for Morality," rejecting summarily the alleged bases of religion, custom and nature. His ideal of morality relates to truth, justice, purity (sexual) and honor. He finishes with the quite correct notion that morality is always "relative and not positive" meaning absolute, and hopes that "a better social state may evolve a higher morality." He does not see that evolution itself is moral, and the only morality; and that "a better social state" is better because of the increased complexity of its relations, and the increased necessity of exact moral adjustment. He looks upon society as an immense aggregation which is in constant danger of losing its moral rules. He fears that the smoking axle-tree of society will first heat, and then "seize," as the mechanics say, arresting the moral movement of the world, unless the oil of moral precept is constantly poured upon its smoking journals. But society is no machine—it is an automatic whole whose self-regulating joints, like those of the body, furnish their own lubrication, such as no outside moral teaching could possibly supply. But not seeing that the development of society is thus in itself morality, he curiously runs off into a condemnation of "the moral evils which arise from an eager desire for wealth, and the shame that attends poverty, which is despised, however honorable." He thinks "a genuine democracy" the cure for such evils! For "democracy" read, a modified socialism, and one gets his idea. As if anything but wealth could cure poverty, wherein immorality snuggles, and riots like rats in a sewer! As if the destitution, limitation, narrowness and filth of poverty could ever be anything but disgraceful! As if its eagerness for wealth had not made the nineteenth century just, honorable, upright, clean and truthful beyond any previous century of the human race! Economic industries are moralities.

"A Continental Statesman" gives an interesting account of the recent history and present status of Italy, in which he argues that the German alliance was a fatal blunder, and its pecuniary cost is likely to ruin the Monarchy of the House of Savoy. Also he believes the Papal question could be adjusted, as it needs so much to be, better under a Republic toward which Italy is hastening. It seems a great pity that the Italian government does not see that the Mafia, the Mala Vita and the Camorra are the inevitable products of extreme poverty. Men well-to-do do not go about to kill and rob whenever they find a chance. It is not "Greek character," as the *London Times* alleges, nor "exaggerated individualism," nor a "personal indifference to the general good" (as if there were any general good there) that makes the assassin and the brigand of society; it is the poverty of society, with the lack of effective desire for a better living, high taxation with bad government spending which increase poverty, and sow crime. Let the government give more attention to developing industrial and social opportunities for the people by reducing its military and other wasteful outlays then things would soon begin to mend.

An instructive article is that upon "Sofia revisited," which shows Bulgaria to be rejuvenated by its independence. The main point is hit by a remark of the Bulgarian peasant who said "Our taxes are higher than they were under the Turks, but we get something for them; schools, roads and security, whereas we got nothing under the Turks." Taxation is little; what taxes are spent for is much. Italy spends for war and gets bankruptcy.

Mr. Ede on "National Pensions" presents a scheme for assuring a tolerable old age to the workingmen through government insurance, which is worthy of consideration. It is really a system of arranged taxation, which may serve a temporary purpose in the impending change from charity-giving to economic self-provision. It is not needed in the United States, but it is an excellent method of encouraging thrift in countries where the workmen are less intelligent and less steadily employed than ours.

In the *Fortnightly Review* the Duke of Marlborough writes of American railways, as if they were all the prey of harpies, and managed by brigands and pirates. He says that notwithstanding this fact, they carry freight and passengers for one-third of the English prices, and "earn 6% on their constructive capital," meaning thereby doubtless 6% on the money actually laid out in construction, which may be doubted.

He then enlarges on the "distressing apathy and inefficiency of Congress" as to business legislation, and shows how investors in our railways are victimized by the great speculators. There is some truth in the picture, though one smiles at the danger he foretells to be resulting from the terrible power of the railway millionaires. Meanwhile he forgets to notice that it is they, who enable a man to travel as one did "1,200 miles without a hitch or breaking a connection." He rightly calls the English a toy system compared with ours, and prophesies unlimited value in our lines as development goes on.

We are much better off at any rate than the Australian railways, built by English capital, and running generally at a loss with slender prospect of being able to pay any returns in any near future, as Mr. Fortesque shows in *The Nineteenth Century Magazine*. If any American ever feels alarmed at the condition of American affairs in any department, he has only to read up about corresponding matters in other countries to be completely reassured. Russian finances are said by Mr. Lanin to be in a frightful condition, so are Italian, so are Australian, so are South American, Austria has long been suffering, while we are better off than any European country, and with great crops this year may expect to see a phenomenal prosperity.

Emily Glade Ellis in *The Westminster Review* writes a trenchant article on "The Fetish of Charity," in which she pictures the demoralizing effect of charity upon the subjects of it, and the community. She contrasts the comparative earnings of the clever

beggar with those of an industrious and honest laborer, showing how much better the beggar fares. She advocates a system which will arrest the undue profits of mendicancy, and raise those of useful industry. She wishes the beggar to be the least well off of all citizens, as he deserves to be, and shows how sentiment, unguided by facts, helps the worst class, to the injury of the better.

Cardinal Gibbons in the *North American Review*, renews the subject of the administration of wealth lately discussed by his confrère "Henry Edward Card, Archbishop" of London. He takes the same general view that wealth is something to be "given away."

One is tempted thereby to recall the remark of Lord Clarendon that "of all men, clergymen were the least fitted to judge of human affairs." The more gifts, the more beggars is the rule, and there never was a city so overwhelmed with paupers as was Rome, while it was still headquarters and property of the Roman Catholic Church whose charity he warrants. So it would be here if Cardinal Gibbons' advice were followed. And like all of his feather the Cardinal proceeds to baste roundly that "greed" and "money getting" which results in wealth, forgetting that wealth alone has something to "give." Astonishing fantasy! Next he counsels the rich to spend moderately, unconscious of the fact, that large consumption calls for large production, which gives the poor work and wages. He of course repeats the false cry "that the rich grow richer and the poor poorer," though savings banks hoards increase daily, and the standard of the poor man's living rises, and prices of goods fall. Why will these good people remain in such invincible ignorance and still talk?

"Engineering" is a new journal of high order. It has the superlative merit of treating its subjects in such a manner that the average reader can understand and be interested in them. It commences with April of this year, and has articles on "Keeping the Mississippi Within her Banks," on the "World's Fair," on "Highways and National Prosperity," "The Greatest Bridge in the World." Its "Popular Miscellany" is admirable. Altogether it is exceptionally attractive and instructive.

FREE LANCE.

Editorial Crucible.

ONE WOULD THINK from the discussion of the Blair case by such papers as the New York *Times*, that it was a matter of very serious importance for a public man in America to incur the displeasure of a Chinese Emperor. The economic methods of China being more in accord with the notions of the *Times* than are those of America, Mr. Blair's efforts in behalf of popular education, and his opposition to the importation of Chinese laborers into this country has naturally offended the editor of that journal and the Emperor of China. But Mr. Blair has the consolation of knowing that the reason he is objectionable to both these personages is that he has been true to the interests of America and of civilization.

ACCORDING TO THE Fall River *Daily News*, the Fifty-Eight Hours Bill recently before the Massachusetts Legislature, received the support of 73 Democrats and only 22 Republicans, and was defeated by the votes of 93 Republicans aided by 17 Democrats. Now if Massachusetts Republicans want to convert the Bay State workmen into Democrats, that is just the way to do it. So long as employers unite in defeating protection and opportunity for laborers, workingmen may be expected to vote against protection for manufacturers. It will be difficult to convince our laborers that they have any serious interest in a protective tariff if they are to continue working longer hours than do laborers in free-trade England. Protection is sound in principle, but to be permanently beneficial it must be applied to the social opportunities of laborers as well as to the industrial opportunities of capitalists.

RECENT CABLE DISPATCHES bring encouraging news that the people of Germany are beginning to protest against the government monopoly of industries. The Liberals in the Reichstag have prepared a bill to confer upon private corporations and individuals the right to go into the telegraph and telephone business, and also to make the State telegraph and telephone liable to pay damages for dispatches illegally delayed or suppressed. This is conclusive evidence that personal liberty is advancing in Germany. State monopoly, paternalism and bureaucracy are incompatible with advancing of freedom and individuality. It must be a little discouraging to socialists to see the possibility of their ideal scheme diminishing as civilization advances. But history is the only true teacher and her lessons all show that socialism belongs to the past, not the future.

THE RUSSIAN PEASANTS are said to be migrating to Siberia in large numbers, constrained by poverty and famine in their old localities. Poverty compels to desperate remedies, since as Homer says: "Hunger is more shameless than any other appetite." People who imagine plenty of land to be a cure for poverty should study this phenomenon, since in Russia land is nowhere monopolized, and is to be had for the asking. Socialists should also study it, since in Russia government is the head and front of everything, and individualism, which they condemn, is at the lowest ebb. Philanthropists should also study it to discover if possible, how little charity can ever do for the masses of mankind, and how hopeless is their quest of relieving large poverty by donations. Only economics has light for the problem, since economics teaches, that what the Russians need is machinery to increase their production, large capitalists devoted to money-making by industrial means, taxes spent on roads, schools and industrial training instead of armies, and the increase of cities where men become socialized and intelligent. The trans-Siberian railway will do something, but "a greed for gold" instead of Czarism would do more.

AN APPALLING arraignment of 179 members of the "Mala Vita" (bad life) society at Bari, Italy, all at once and all accused of complicity in murder throws a side light on the New Orleans Mafia, but a stronger one on the economical condition of the Italians at home. What a race it is, and what a society where the state is compelled to arraign its citizens by squads and centuries! And that too where the church has dominated and taught for ages! It only shows that church and state alike fail with the masses of mankind. The only thing which has ever succeeded is industries and machineries. These discipline, develop and elevate. Every revolution of the wheels is a moment's schooling to employes. Every new product is a new thought to the people. These Italians are but the native fruit of a social condition which lays the emphasis of life upon other things beside material goods. Could they but once see through their burtish dreams of lust, revenge and conspiracy to the fact that an increase of production would give them the things they need, their criminal impulses would sink to sleep beneath a soothing song of gratified desire. But the government spends its heavy taxation on war ships and soldiers instead of increasing industrial opportunity and so intensifies loafing and non-industrial habits. Our Italians here retaining their home-bred notions think of love, revenge and religion as first, and profitable industry as second—a painful necessity; whereas the reverse is true, and when they find it out much will be done.

IN DISCUSSING the status of the tariff question in France the *Christian Union* says:

"The division on the question there seems to run very much along the same lines as in this country—manufacturing interests on one side, and the political thinkers, professional classes, and literary men largely on the other."

This is a specimen of the unconscious hostility to industrial development pervading so much of the present discussion of econo-

mics. The *Christian Union* has evidently not yet learned that the existence of manufacturing industries is far more important to a nation than the opinions of 'political thinkers, (?) professional classes and literary men.' Manufacturing industries have contributed more to general civilization during the last half century than have all the "political thinkers, professional classes and literary men" during their whole history. Indeed they have ever been reluctant followers rather than inspiring leaders of social advance. There are few public movements of importance from the days of Charlemagne 'till now, which have not had to fight against the opposition of "political thinkers, professional classes, and literary men." They are responsible for all the depressing economic heresies with which society has for generations been afflicted. Factories are always better representatives of the spirit and force of progress than are colleges, and the fact that "political thinkers, professional classes, and literary men" are arrayed against the manufacturing interests of a nation is conclusive evidence of the fallacy of their position.

PROF. R. T. ELY, of Johns Hopkins' University, continues his fairy-land expositions of socialism in the New York *Independent*, quite regardless of economic law and fact, though he be professor of both. He seems to think a regime which nature disputes and disowns to be feasible if only enough people wish it; that the powers of production would be sufficiently generous to all if only all clubbed together and worked harmoniously. Pity it is that it is not true, but true it is not, all the same; with all our strenuousness of production there are still more backs to clothe than can be well clad, more feet to shoe than can be well shod, more people to carry than can be transported by our present conveyances. The people are too many for the things as yet, and only more machinery running at higher speed and producing more per minute can give either individualist, or socialist what both wish—enough for all. What the poor want is wealth, and

wealth means not gold, but food, clothing, houses, comforts, luxuries in vast abundance. Goethe in a celebrated verse, exhorts us to dispense with things, but economics flatly opposed cry out—produce! produce! produce! This is the true voice of the ages repeating with "ever hoarsening cry."

The way of human redemption lies along the path of labor directed by science. Sentiment will not solve the problem. Fine words will butter no parsnips. Production thrives best under individuals—gives us the most things for the least work, the largest crop for the least cost. Drive on the wheels then, speed the steam plough. Increase the employment of capital, multiply production per man, improve the man, and so improve his output. All things lie here and they lie nowhere else. Prof. Ely may rub his pretentious Aladdin's lamp in vain. No spirits will come to his bidding, but increased production will fill all hands with plenty. Meanwhile the Professor might ponder the old text: "If the light that is in you be darkness, how great is that darkness!"

THE NEW YORK INDEPENDENT for April 2nd has a symposium on the condition of the negro in which various writers prescribe a varied lot of remedies for the uplifting of the colored race, applicable to his infirmities and vices. No one of them seems to be aware that the root difficulty with the negro as with all lower classes is the absence of sufficient desire for a better estate. If the negro could be trained, or tantalized, or tempted into wishing a better house, better clothing, food and surroundings, his improvement would begin at once, where it must, in his own mind. No efforts or application which do not reach to the kindling of effective desire will reach his case. The reason of so prolonged and general hesitation in the negro to start upward is because gospel and philanthropy and statesmanship alike fail to join themselves to his existing wants and to endeavor to enlarge and strengthen those. The negro question will never be solved until he is introduced to things that takes his fancy, and stimulate

him to work for them, then the problem will work itself out. The future of the colored race like that of the white is to be determined by the use of machinery. Cotton mills and half-time schools are the civilizing agencies needed in the South. By these laborers both white and black will be gathered into groups and towns. They will begin to talk, talk will generate desires, social rivalry will ensue, a comparison of condition will follow, the importance of wealth a better living will be realized and a demand for it and the energy to procure it will begin to appear to him, and then he will step on the first rung of the ladder upward in a struggle for the better. His south sea isle contentment and complacency will disappear and the pleasures of advance will tempt him on and on, as they do us. Mankind is alike in this, that there is only one method of advance, through increase of desire to increase of wealth, and multiplication of the objects of desire. This increase comes through increased socialization in cities and industries, and growing complexity of social relations. The negro then must learn first to desire wealth, and an abundance of the goods of life enough to work for and retain them.

THE FACT THAT Mr. Gunton's new book, "The Principles of Social Economics," shows the feasibility of transforming political economy "from a dismal science of pessimism and despair, which complacently sees the masses crowded to the verge of starvation, into a science of optimism and hope, which bears a message of prosperity and progress to the whole of community," appears to contain more social sunshine for the masses than the New York *Independent* can stand. In a recent review of this volume in that paper, "Prof. A." is greatly disturbed over the agreeableness of the author's conclusions. He does not attempt to controvert Mr. Gunton's facts or reasoning. On the contrary, he says :

"Some of Mr. Gunton's contributions to the theory of wages are of real value. He has brought out more distinctively than

any one else the principle that the wages of any given group of laborers are determined not by the standard of living of the lower members of the group, but by that of the higher. In his work on 'Wealth and Progress' he has carried out his inferences from this position with a good deal of ability. His articles on trusts have also possessed great merit. The book before us, like his previous works, has an important underlying idea," etc.

But the fact that the book shows the possibility of more wealth for the masses is its crowning fault. To hold out any hope that economic science can furnish a better future for the laboring classes, is something an economist could never do, according to "Professor A." He assures us that "Whenever a man talks in this way, he usually gets himself into trouble." Now, we expected to find just such people as Prof. A., but we were hardly prepared to look for them in *The Independent*. We assumed that it would be pleased to learn, that something better than dreams can be urged in favor of the possibility of a brighter future for mankind in this world, and when a ray of hope for the masses could be scientifically presented, that it would be the first to hail the good news. But no; it even objects to the announcement of a brighter outlook if one be found, and says: "If it is true, the less talk about optimism the better." He appears to have been looking at society through the dreary doctrines of Malthus and the wages-fund so long that the discovery of any sign of bettering man's estate is really distasteful to him. Unless *The Independent* can raise some valid objection, either to Mr. Gunton's facts or his logic, its opposition to the pleasantness of its conclusions will be of little avail. Although there may be a few people who, through perverted tastes, or unfortunate habit, prefer aloes to oranges, the bulk of mankind prefer sweet to bitter, smiles to tears, and plenty to poverty. Happily for mankind, Calvinistic economics are doomed, and the opinions of economists who continue to think it necessary to prevent children in order to save society, will cease to be a factor in the social philosophy and statesmanship of the near future.

Book Reviews.

THE QUESTION OF COPYRIGHT, by George Haven Putnam, (G. P. Putnam's Sons.) Pp. 412.

Mr. George Haven Putnam gives a summary of the copyright laws of different countries and a sketch of our contest for International Copyright, with much else bearing on the matter of great interest. He shows the slow development of the idea of literary property. It seems indeed curious that a thing which is more distinctly and intimately a man's own product than anything else he can make, except his children, should have been refused to his ownership and profit the longest time. A man who writes a book produces something that he alone of all men could produce in exactly that form, and if it is good, he puts the human race under debt to him beyond all other producers. It should therefore be secured to him in fee simple forever, and be as transmissible to heirs as is a title to land or a railroad bond. Were that to be done, the children of our great authors would be among our richest citizens, and the slight contempt which men of letters still suffer among the millionaires would quickly disappear. Mr. Simon Cameron's phrase as to "them damn literary fellers" would never have been uttered, if the income of the writer had been able to be as great as that of the mill owner, or the managing politician. But as things are, a community which locks up a man who steals Commodore Vanderbilt's bonds from his heirs, itself robs an author's heirs of the copyrights which are the sole results of his useful life's industry, on the astonishing ground that they are too valuable to the public to be held as private property. As if the aforesaid bonds also had not become enormously valuable, if highth of value were to be taken as a criterion giving rights of plunder to the public!

It is necessary of course to say that not the ideas of a book should be secured to the author but only the book itself, so many words and sentences in consecutive order reading exactly thus and so—in other words the particular volume itself. How high would Shakespeare's heirs and Milton's and Byron's and all the families of men of genius rank, if such justice had been done to them. They might have been higher than Dukes of Bedford and Portland and Hamilton and Manchester, as indeed they richly deserve to be, and so our best men and

best blood would have some chance of getting to the forefront of things, and leading the world by the thoughts of the best instead of the worst. Our country would do well to take the initiative in this measure of justice, which would be certain in the long run to work an immense public weal and a profound change of social estimates.

It cannot be urged that the copyright resembles a patent in its nature and should therefore be limited, because a machine which is the subject of patents being a mechanical device might easily, if monopolized forever, stand in the way of mechanical advance and improvement, whereas the protected book stands in the way of no other book whatever. Every writer has the whole field of ideas as widely open to him as ever, no matter who has written before, for men's books, like their noses, are never just alike nor ever would be.

Having made a beginning in acknowledging literary property therefore, we should do well to establish its title as inalienable and lasting to the utmost bound and reach of immemorial time. Mr. Putnam does not go so far as this, but when we are aiming at justice, we need not fear to go to lengths on the subject as the end would prove.

A PLEA FOR LIBERTY, with an introduction by Herbert Spencer. Edited by Thomas Mackay, (Appleton & Co.) Pp. 414.

"A PLEA FOR LIBERTY" is a collection of essays against socialism by Herbert Spencer, Donnisthorpe, Howell, Fairfield and other English writers. Reasons against socialism are indeed as plenty as blackberries, and some of them are good ones. But some also are far from good and are calculated to do him harm like socialism itself. When Mr. Spencer writes down various evils to the credit of competition, which evils are not due to competition at all, but to all exchanges where buyer and seller would always strive to get as much as possible from each other, or lays the want of many people to the alleged fact, that some people get more than their share of products with the result of leaving less than their share to others, rather than to the true cause, which is an insufficiency of products for all, he but sows with one hand the seed of the errors, he is reprov- ing with the other. When he alleges that joint stock enterprises are still on trial as industrial factors, and not sure of success, he but astonishes one with such random assertion, his implied underlying unconsciousness that all industry must avail itself of larger and larger concentrations of capital to cheapen production sufficient for the masses. Where he points out that socialism would result in a stagnate society in the hands of an intolerable bureaucracy he is sound and shrewd.

Mr. Howell alleges many familiar objections to over-legislation, like those which can be urged pro and con on most subjects. There being many objections to everything, there are of course as many against *over* legislation, which, in so far as it is "over," is of course too much, as he well says.

Mr. Fairfield writes on Australian experiments in socialistic government, and paints a heart-rending picture of its results. It would be more impressive if it were less sweeping, as it leads the reader to serious doubts of its truth.

On the subject of Free Libraries and free schools, the book is so anti-socialistic that it even becomes anti-social, and in its anxiety for liberty loses hold of social welfare. It shows how ill-adapted governments are to business, by showing how clumsily government business is done, and thus comes somewhere near to the true objection to socialism, which is at bottom this and this only. Government cannot conduct the business of production as well as private enterprise will do, and therefore is to be reprobated as being dearer and decreasing the wealth of the community.

"A plea for liberty" *per se* is of small importance. Rich communities can always take care of their liberties. Get wealth and freedom will follow. A poor community will either have little freedom, or its freedom will do it little good. Switzerland is free, but in what respect is a Swiss better for that, than were Neapolitans under King Bomba? The Swiss always use their freedom to get out of their poor hills, and into rich Venice, or Milan, or Lyons or Paris. Only one thing can take care of politics and virtues, whether they be the apparent impossibilities, and that is wealth, which like an "ever young, fresh and delicate wooer, solders close impossibilities and makes them kiss." In the hands of wealth are all the developments of the radiant world.

NEW BOOKS RECEIVED.

The Relation of Labor to the Law of To-Day, by Dr. Lujo Brentano, Professor of Political Economy in the University of Leipsic. G. P. Putnam's Sons.

Over Production and Commercial Distress, by Uriel H. Crocker. Clark and Carruth, Boston.

The Eight Hours Day, by Sidney Webb, LL. B. and Harold Cox, B. A. Walter Scott. (?) London and A. Lovell & Co., New York.

Hand Book of the American Republics, Bureau of the American Republics, Bulletin No. I, January, 1891.

"Our Sheep and the Tariff," by William Draper Lewis, Fellow of the Wharton School of Finance and Economy, University of Pa. Press Co.

THE
SOCIAL ECONOMIST,
JUNE, 1891.

The Relation of Invention to Labor.*

The lines of industrial history are dimly drawn. The writers of civil history have been too thoroughly engrossed with political events and with wars to give much attention to the development of the industries of different peoples. Here and there a paragraph or a page may give some hint of the state of the industrial art during different periods and in different countries; but the necessity of giving connected and extended accounts of industrial progress has not yet seemed to possess them. The beginning of the history is, of course, as nebulous as the beginning of all history. It runs back into the ages, beyond tradition, even, for we cannot conceive of the first step in civilization having been taken without the assistance of the industrial arts. When the Greek could find no trace of his own origin, it is unreasonable to suppose that the historian can give the origin of those arts which have been potent in developing the civilization. The history of the development of the mechanic arts must be largely the history of civilization; at least each reflects the history of the other, for it is true that as advancing civilization has begotten higher and finer types of production, the higher type of artisan has been the productive element in social progress. It is impossible, with this condition of things historically, to treat of the relation of invention to labor, or, more broadly, of the influence which invention has had upon labor during the earlier historical stages.

An abstract of this paper was delivered as an address at the Congress of Inventors, Washington, D. C., April 8, 1891.

The civil historian finds it convenient to make three great divisions of history—ancient, medieval, and modern. The historian of the industrial arts can make use of but the first and the last of these periods, the two great divisions, ancient and modern, the ancient extending almost to our own time, the modern finding its birth in that wonderful period of invention, practically beginning with the year 1760. We are, then, actually living in the early generations of the modern history of manufactures, for the whole ancient period saw but little change and but little invention, beyond the few contrivances by which people met their simple wants. Certainly invention had not been prolific in processes of production. The period of ancient history, as defined, has not yet ceased for a great proportion of the inhabitants of the world.

The grand divisions which the archæologist finds essential are far more applicable to manufacturers than those of the civil historian. He takes three great ages—the stone age, the bronze age, and the iron age—and these divisions more accurately mark the progress of manufactures, for in them we find the peculiar changes which mark the growth of the inventive genius of the world. The limits of these ages, however, are not found to be contemporaneous, so far as beginning and ending are concerned, for while the stone age may have ended in one country, and the bronze age been evolved from it, the stone age may have lingered for centuries longer in another country, or the bronze age may have continued far beyond the birth of the iron age among an adjacent people, or it may have been omitted because of the conquest of a people still living in the stone age by a people who had reached the iron age. These great distinctions of ages, which the archæologist finds so convenient, are not continuous steps in the development of natural history, except in a philosophical sense. Logically they are true divisions, and so far as nearly all the peoples of the world are concerned they are true divisions chronologically. The history of civilization is not that of successive steps,

except as we view great cycles of time; so the various industrial systems which have prevailed in the world—the slave system, the feudal system, and the wage system—are not successive universally, but only successive in individual nations. Even in the case of special nations, one or other of these systems may have been omitted through the circumstances growing out of conquest, or, it may be, treaty, though in the growth or evolution of industrial events the steps are quite regular. The natural division of industrial history really involves two great features—hand-production and machine-production. Hand-production prevailed until the last half of the eighteenth century, and, as already remarked, inventive genius had not been applied in this direction, except in the simplest way. During the last half of the eighteenth century the history of machine production, or of the age of mechanical invention, really began; it is with this age that I have to deal, for it is only since invention has been applied to productive processes that it has had any specific influence upon the labor of man, either in an economic or an ethical sense.

The age of invention found its birth in the development of spinning and weaving, and as these two arts lay at the very foundation of the industrial arts of the ancients, so they are the basic arts of the modern system of industry. Until the decade of years beginning with 1760, the machines in use for weaving, as well as for spinning, were nearly as simple as those in use among the ancients. The principles adopted by the ancients, of course, are those still in force. The processes of spinning and weaving were generally performed under the same roof, the weaver continually pressing upon the spinner for a supply of weft or warp; but the weaver's own family could not respond with a sufficient quantity, and he had much difficulty in collecting it from neighboring spinsters. The first influence of invention, paradoxical as it may seem, aggravated this difficulty by a device for facilitating the process of weaving. This occurred by the use of the fly-shuttle, invented in 1738, by one John Kay, by which de-

vice one man alone was enabled to weave the widest cloth, while prior to Kay's invention two persons were required. One can readily see how this increased the difficulty of obtaining a supply of yarn; for the one-thread wheel, though turning from morning till night in thousands of cottages, could not keep pace either with the weaver's shuttle or with the demand of the merchant.

In the same year, 1738, John Wyatt invented an elementary mechanical contrivance whereby he expected that a single pair of hands could spin twenty, a hundred, or, on a perfected mechanical construction, even one thousand threads. This invention of Wyatt's, patented by royal letters-patent in 1738, in the name of Lewis Paul, really embodied the method of spinning by rollers, for Wyatt's specification describes the very principle of spinning by rollers, which distinguished the spinning machine brought into use thirty years later by Sir Richard Arkwright, and which was universally adopted, and of which Sir Richard is generally supposed, even at the present day, to have been the inventor. Wyatt did not succeed, either in making his fortune, or in introducing his machine into use. He lacked the pecuniary means, and could not hold out long enough to realize the success his genius merited; but, more than all, as often happens with many advanced inventions—inventions made in advance of the times—he lacked the time and attendant circumstances, with all their subtle influences, which accompanied the train of inventions, relating to spinning and weaving, which came into use a generation or so after Wyatt's time. His invention slumbered for thirty years, until it was either rediscovered, or, what is just as probable, until its principles came accidentally to the knowledge of Arkwright, who, previous to 1769, had been a barber at Preston. These primitive efforts—that of John Kay, in the invention of the fly-shuttle, and that of John Wyatt, in the invention of spinning machines where rollers were used—formed the germs from which sprang that great line of inventions which has revolutionized industry, and whose influence upon labor has been so widely marked in every direction.

The invention of the spinning-jenny came at the right time to have its usefulness adopted. One day while a spinner of England was at work with his single wheel, in what Poetry has called a "cottage," but what History denominates a "hut," surrounded by his children, they accidentally overturned the wheel, and while it lay on the earthen floor, in a horizontal position, the wheel, which was revolving at the time it was overturned, continued to revolve, and of course the spindle revolved through the power conveyed to it. This little accident suggested to the intelligence of James Hargreaves the idea that a spindle could be run in a position perpendicular to the motive power, as well as horizontal, and that the same power might be carried to two or more spindles. He therefore set himself to work and constructed, between 1764 and 1767, a crude machine, subsequently called a spinning-jenny, which had several spindles driven by cords or belts from the same wheel. He was thus enabled to multiply his production of yarn. This result brought him increased wages, and made him the envy of his neighbors, who, fearing that the machine would ultimately affect them injuriously, became excited, broke into Hargreaves's house, and destroyed not only his machine, but nearly all his furniture. The inventor was so severely persecuted that he left his native county and went to Nottingham, at which place he was furnished with means and was enabled to perfect his invention, taking out royal letters-patent in 1770. But the year previous, 1769, Richard Arkwright, of whom I have spoken, took out a patent for his invention of spinning by rollers. These two men, therefore, can be called contemporaneous inventors, and, so far as practical results are concerned, the original inventors who gave to the world the birth of the age of invention.

The mule-spinning machine, which Samuel Crompton invented in 1776, was a combination of the principles of the jenny and the water-frame of Arkwright, and entirely superseded the use of the jenny; but the machines of Hargreaves and Arkwright broke down the barrier which had so long obstructed the advance

of the cotton manufacture, and the breaking down of this barrier inaugurated the factory system, which really dates from their period.

In 1785, Dr. Edward Cartwright invented the first power-loom. This was improved upon by various inventors till 1806, when power-looms began to be used in factories. Prior to this invention, all the yarn spun by power-machines had been woven into cloth by hand-loom weavers, and of course the introduction of the power-loom caused a repetition of the scenes of riot which followed the introduction of the spinning-machine. The power-loom closed the catalogue of inventions necessary to the inauguration to the era of mechanical supremacy.

To give in detail an account of the invention of great processes in all departments which have affected civilization, or which have constituted, or marked, practical epochs in industrial evolution, is not my province. Others who will speak to you will give you this information. But the influence upon the labor of man, of the age which was born when the spinning and weaving machinery of England was perfected, constitutes a theme to which I am called upon to address myself. This influence has been great, and has been felt along two principal lines or directions, those of economics and of ethics. Economically speaking, the influence has been felt in two directions also, but in diametrically opposite ways. These ways are what are called, in popular speech, "the displacement of labor" and "the expansion of labor." By the displacement of labor is meant what would be expressed more specifically by another term, the contraction of labor; that is, where a machine has been invented by which one man can do the work, with the aid of the machine, of several men working without its aid; and by the expansion of labor is meant where, through invention, more men are called into remunerative employment than would have been employed had not such invention been made. In considering these economic bearings or influences of inventions we must deal with labor ab-

stractly, while under the ethical influence we not only deal with labor abstractly, but with man as a social and political factor. This, of course, leads at once to the remark that the ethical influence, or the ethics of the question, becomes the most prominent feature of any treatment of the relation of invention to labor. Before touching this, however, I desire to call your attention to some of the more marked economic disturbances which have taken place. The displacement or contraction of labor by the facts relative to the so-called displacement of muscular labor by machinery has been drawn from the First Annual Report of the U. S. Commissioner of Labor.

That labor-saving machinery, so-called, but which more properly should be called labor-making or labor-assisting machinery, often displaces labor so far as men, individually, are concerned, and temporarily, cannot successfully be denied. All men of sound minds admit the permanent good effects of inventions; but the permanent good effects do not prevent the temporary displacement, which displacement, so far as the labor displaced is concerned, assists in crippling the consuming power of the community in which it takes place. It is of course exceedingly difficult to secure positive information illustrating a point so thoroughly apparent; yet from the source I have named a sufficient amount of information can be drawn to show clearly and positively the influence of inventions in bringing about what is called displacement.

In the manufacture of agricultural implements new machinery during the past fifteen or twenty years has, in the opinion of some of the best manufacturers of such implements, displaced fully 50 per cent. of the muscular labor formerly employed; as, for instance, hammers and dies have done away with the most particular labor on a plow. In one of the most extensive establishments engaged in the manufacture of agricultural implements in one of the Western States, it is found that 600 men, with the use of machinery, are now doing the work that it would require

2,145 men, without the aid of machinery, to perform; that is to say, there has been in this particular establishment a loss of labor to 1,545 men, the proportion of loss being as 3.57 to 1. In the manufacture of small-arms, where one man by manual labor, was formerly able to "turn" and "fit" one stock for a musket in one day of 10 hours, 3 men now, by a division of labor and the use of power machinery, will turn out and fit from 125 to 150 stocks in 10 hours. By this statement it is seen that one man individually turns out and fits the equivalent of 42 to 50 stocks in 10 hours, as against one stock in the same length of time under former conditions. In this particular calling, then, there is a displacement of 44 to 49 men in one operation.

Looking to a cruder industry, that of brick-making, improved devices have displaced 10 per cent. of labor, while in making fire-brick 40 per cent. of the labor formerly employed is now dispensed with, and yet in many brick-making concerns no displacement whatever has taken place.

The manufacture of boots and shoes offers some very wonderful facts in this connection. In one large and long-established manufactory in one of the Eastern States the proprietors testify that it would require 500 persons, working by hand processes and in the old way in the shops by the roadside, to make as many women's boots and shoes as 100 persons now make with the aid of machinery and by congregated labor, a contraction of 80 per cent. in this particular case. In another division of the same industry the number of men required to produce a given quantity of boots and shoes has been reduced one-half, while in still another locality, and on another quality of boots, being entirely for women's wear, where formerly a first-class workman could turn out 6 pairs in one week, he will now turn out 18 pairs. A well-known firm in the West, engaged in the manufacture of boots and shoes, finds that it would take 120 persons, working by hand, to produce the amount of work done in its factory by 60 employes, and that the hand-work would not compare in workmanship and

appearance by 50 per cent. By the use of Goodyear's sewing-machine for turned shoes, one man will sew 250 pairs in one day. It would require 8 men, working by hand, to sew the same number in the same time. By the use of a heel-shaver or trimmer one man will trim 300 pairs of shoes a day, while formerly three men would have been required to do the same work ; and with the McKay machine one operative will handle 300 pairs of shoes in one day, while without the machine he could handle but 5 pairs in the same time. So in nailing on heels, one man, with the aid of machinery, can heel 300 pairs of shoes per day, while five men would have to work all day to accomplish this by hand. A large Philadelphia house, which makes boys' and children's shoes entirely, has learned that the introduction of new machinery within the past thirty years has displaced about six times the amount of hand labor formerly required, and that the cost of the product has been reduced one-half.

The broom industry, which would not seem to offer a large field for speculation in reference to displacement, has felt the influence of invention, for the broom sewing-machine facilitates the work to such an extent that each machine displaces 3 men. A large broom-manufacturing concern which a few years ago employed 17 skilled men to manufacture 500 hundred dozen brooms per week, now, with 9 men, aided by invention, turns out 1,200 dozen brooms weekly ; so in this case, while the force is reduced nearly one-half the quantity of product is more than doubled.

To look at a carriage or a wagon, one would not suppose that in its manufacture machinery could perform very much of an office, and yet a foreman of fifty years' experience has informed me that the length of time it took a given number of skilled workmen, working entirely by hand, to produce a carriage of a certain style and quality was equal to 35 days of one man's labor, while now one man produces substantially the same style of carriage in 12 days. Machinery has been employed in making the parts necessary to the construction of a carriage or wagon, and

thus has simplified the work and reduced the time essential for the production of the completed product.

In the manufacture of carpets there has been a displacement, taking all the processes together, of from 10 to 20 times the number of persons formerly employed. In the spinning of carpet material alone it would take, by the old methods, from seventy-five to one hundred times the number of operatives now employed to turn out the same amount of work, while in weaving there would be required at least ten times the present number. A carpet-measuring machine has been invented which brushes and measures the product at the same time, and by its use one operator will accomplish what formerly required 15 men.

Very many people would say that in the manufacture of clothing there has been no improvement, except so far as the use of the sewing-machine has facilitated the manufacture; yet in the ready-made clothing trade, where cutting was formerly done by hand, much of it is now done by the use of dies, many thicknesses of the same size and style being cut at one operation. So in cutting out hats and caps with improved cutters, one man is enabled to cut out a great many thicknesses at the same time, and he does six times the amount of work with such devices as could formerly be done by one man in the old way.

While the age of machinery began with improvements for the manufacture of textiles, so the manufacture of textiles, and especially cotton goods, offers perhaps as striking an illustration as any of the apparent displacement of labor. With a hand-loom a weaver used to weave from 60 to 80 picks per minute in weaving a cloth of good quality, with 20 threads of twist to each one-quarter square inch. With a power-loom he now weaves 180 picks per minute of the same kind of cloth. Even in power machinery, a weaver formerly tended but one loom. Now one weaver minds all the way from 2 to 10 looms, according to the grade of goods.

In a large establishment in New Hampshire, improved machinery, even within ten years, has reduced muscular labor 50

per cent. in the production of the same quality of goods. This, of course, is true in other localities given to the manufacture of cotton goods. In another line labor has been displaced to such an extent that one-third the number of operatives formerly required is now in employment. In the days of the single-spindle hand wheel, one spinner, working 56 hours continuously, could spin 5 hanks of number 32 twist. At the present time, with one pair of self-acting mule spinning-machines, having 2,124 spindles, one spinner, with the assistance of two small boys, can produce 55,098 hanks of number 32 twist in the same time. It is quite generally agreed that there has been a displacement, taking all processes of cotton manufacture into consideration, in the proportion of 3 to 1. The average number of spindles per operative in the cotton mills of this country in 1831 was 25.2; it is now over 72, an increase of more than 185 per cent.; and along with this increase of the number of spindles per operative there has been an increase of product per operative of over 145 per cent., so far as spinning alone is concerned. In weaving in the olden time, in this country, a fair adult hand-loom weaver wove from 42 to 48 yards of common skirting per week. Now a weaver, tending 6 power-looms in a cotton factory, will produce 1,500 yards in a single week.

Marvelous as these facts appear, when we examine the influence of invention as applied in the newspaper publishing business, we perceive the magic of inventive genius. One of the latest quadruple-stereotype perfecting presses manufactured by R. Hoe & Co., of New York, has an aggregate running capacity of 48,000 eight-page papers per hour; that is to say, one of these perfected presses, run by one pressman and four skilled laborers, will print, cut at the top, fold, paste, and count (with supplement inserted, if desired,) 48,000 eight-page papers in one hour. To do the press-work alone for this number of papers would take on the old plan, a man and a boy working ten hours per day, 100 days. A paper now published in the morning, printed, folded,

cut, and pasted before breakfast, would, before the edition was completed under the old system, become a quarterly.

And so illustrations might be accumulated in very many directions—in the manufacture of furniture, in the glass industry, in leather-making, in sawing lumber, in the manufacture of machines and machinery, in the production of metals and metallic goods of all kinds, or of wooden-ware, in the manufacture of musical instruments, in mining, in the oil industry, in the manufacture of paper, in pottery, in the production of railroad supplies, in the manufacture of rubber boots, of saws, of silk goods, of soap, of tobacco, of trunks, in building vessels, in making wine, and in the production of woolen goods.

It is impossible to arrive at an accurate statement as to the number of persons it would require under the old system to produce the goods made by the present industrial system, with the aid of invention and power machinery. Any computation would be a rough estimate. In some branches of work such a rough estimate would indicate that each employe at the present represents, on an average, 50 employes under the old system. In many other branches the estimate would involve the employment of one now where three were employed. Looking at this question without any desire to be mathematically accurate, it is fair to say, perhaps, that it would require from 50,000,000 to 100,000,000 persons, in this country working under the old system, to produce the goods made and the work performed by the workers of to-day, with the aid of machinery. This computation may, of course, be very wide of the truth; but any computation is equally startling, and when it is considered that in spinning alone 1,100 threads are easily spun now at one time, where one was spun under the old system, no estimate can be successfully disputed.

All these facts and illustrations simply show that there has been, economically speaking, a great displacement of labor by use of inventions; power machinery has come in as a magical assistant to the power of muscle and mind, and it is this side of

the question that usually causes alarm. As in the early day, when Hargreaves and Arkwright were struggling to supply the weaver with a sufficient quantity of yarn, and the spinners looked only to the immediate effect upon themselves, so now, no good answer can be made to the man who finds his labor a superfluity in a market overstocked with labor. Enlightenment has taught the wage-receiver some of the advantages of the introduction of inventions as his assistants, but he is not yet fully instructed as to their influence in all directions. He does see the displacement; he does see the difficulty of turning his hand to other employment, or of finding employment in the same direction. These are tangible influences, which present themselves squarely in the face of the man involved, and to him no philosophical, economic, or ethical answer is sufficient. It is therefore impossible to treat of the influence of inventions, so far as the displacement of labor is concerned, as one of the leading influences, on the individual basis. We must take labor, as I have said, abstractly. So, having shown the powerful influence of the use of ingenious devices in the displacement or contraction of labor, as such, it is proper to show how such devices have influenced the expansion of labor, or created employments and opportunities for employment which did not exist before their inception and application.

THE EXPANSION OF LABOR.

As incredible as the facts I have given might appear to one who has not studied them, the ability to crystalize in individual cases and show the fairly exact displacement of labor exists. An examination of the opposite influence of inventions, that of the expansion or creation of employments not before existing, reveals a more encouraging state or condition of things, but one in which the statistician can make but very little headway. The influences under the expansion of labor have various ramifications. The people at large, and especially those who work for wages, have experienced these influences in several directions, and contempo-

aneous with the introduction and use of inventions, the chief economic influence being in the direction of expansion, the other influences being more thoroughly ethical, and these should be considered under the broad title. The science of statistics helps us in some respects in studying the expansive power of inventions, and especially in the direction of great staples used as raw material in manufacturing processes and in the increase of the number of people employed relative to the number of the population. If there has been a great increase in the consumption per capita of great staples for manufacturing purposes, there must have been a corresponding expansion of labor necessary for the production of goods in like directions. Taking up some of the leading staples, the facts show that the per capita consumption of cotton in this country in 1830 was 5.9 pounds; in 1880, 13.91 pounds, while in 1890 the per capita consumption had increased to nearly 19 pounds. These figures are for cotton consumed in our own country, and clearly and positively indicate that the labor necessary for such consumption has been kept up to the standard, if not beyond the standard, of the olden time—I mean as to the number of people employed.

In iron the increase has been as great proportionately. In 1870 the per capita consumption of iron in the United States was 105.64 pounds, in 1880 it had risen to 204.99 pounds, and in 1890 to 283.38. While processes in manufacturing iron have been improved, and labor displaced to a certain extent by such processes, this great increase in the consumption of iron is a most encouraging fact, and proves that there has been an offset to the displacement. The consumption of steel shows like results. In 1880 it was 46 pounds per capita, and in 1890, 144 pounds. The application of iron and steel in all directions, in the building trades, as well as in the mechanic arts, in great engineering undertakings, and in a multitude of directions, only indicates that labor must be actively employed, or such extensions could not take place. But a more conclusive offset to the displacement of

labor, considered abstractly, is shown by the statistics of persons engaged in all occupations. From 1860 to 1880, a period of twenty years, and the most prolific period in this country of inventions, and therefore of the most intensified influence in all directions of their introduction, the population increased 59.51 per cent., while during the same period the number of persons employed in all occupations—manufacturing, agriculture, domestic service, everything—increased 109.87 per cent. In the decade of years, 1870 to 1880, the population increased 30.08 per cent., while the number of persons in all occupations increased 39 per cent. An analysis of these statements shows that the increase of the number of those engaged in manufacturing, mechanical, and mining industries, those in which the influence of inventions is most keenly felt, for the period from 1860 to 1880, was 92.28 per cent., as against 59.51 per cent. increase in the total population. If statistics could be as forcibly applied to show the new occupations brought into existence by inventions, I believe the result would be still more emphatic. If we could examine scientifically the number of created occupations, the claim that inventions have displaced labor on the whole would be conclusively and emphatically refuted.

Taking some of the great industries that now exist, and which did not exist prior to the inventions which made them, we must acknowledge the power of the answer. In telegraphy thousands and thousands of people are employed, where no one have ever been displaced. The construction of the lines, the manufacture of the instruments, the operation of the lines—all these divisions and sub-divisions of a great industry have brought thousands of intelligent men and women into remunerative employment, where no one had ever been employed before. The telephone has only added to this accumulation and expansion, and the whole field of electricity, in providing for the employment of many thousands of skilled workers, has not trenched upon the privileges of the past. Electro-plating, a modern device,

has not only added wonderfully to the employed list by its direct influence, but indirectly, by the introduction of a class of goods which can be secured by all persons. Silver-ware is no longer the luxury of the rich. Through the invention of electro-plating, excellent ware, with most artistic design, can be found in almost every habitation in America. The application of electro-plating to nickel furnished a subsidiary industry to that of electro-plating generally, and nickel-plating had not been known half a dozen years before more than thirty thousand people were employed in the industry, where no one had ever been employed prior to the invention.

The railroads offer another grand illustration of the expansion of labor. It now requires three-quarters of a million of people to operate our railroads, and this means a population of nearly four million, or one-sixteenth of the whole population of the country. The displacement of the stage-coach and the stage-driver was nothing compared to the expansion of labor which the railroad systems of the country have created. The construction of the road-bed and its equipment constantly involve the employment of thousands and thousands of mechanics, while the operation of the roads themselves, as I have said, secures employment to more than a quarter of a million of people. All this work of the railroads has not, in all probability, displaced a single coachman; on the other hand, it has created the demand for drivers and workers with horses and wagons, through the great expansion of the express business, of cab-driving, of connecting lines, and in other directions, which could not have taken place under the old stage-coach *regime*.

When the sewing machine was invented it was thought that the sewing-girl's day was over. So it was, in a certain respect. She can now earn more money, with less physical exhaustion, than under the old system. Abominably poor as are the results of her efforts now, they are far better than they would have been without this invention. But as a means of the expansion of labor

the sewing machine is a striking illustration. It has displaced no one; it has increased demand, and it has been the means of establishing great workshops to supply the thousands of machines that are sold daily throughout the world.

The inventions of Goodyear, whereby rubber gum could be so treated as to be made into articles of wearing apparel, have resulted in the establishment of great industries as new creations. We need not in this place consider the great benefits through the use of water-proof clothing. The mere fact that great industries have arisen where none existed before is sufficient for our purpose.

I might take up much time in simply accumulating illustrations showing the expansive force of inventions in the direction of creating new opportunities for remunerative employment. The facts I have given show conclusively that displacement has been more than offset by expansion. Yet if the question be asked, Has the wage-earner received a just and equitable share of the economic benefits derived from the introduction of machinery? the answer must be—No. I mean by this his relative share, compared with that going to capital. In the struggle for supremacy in the great countries devoted to mechanical production it probably has been impossible for him to share equitably in such benefits. Notwithstanding this, his share has been enormous, and the gain to him such as to change his whole relation to society and the state, such changes affecting his moral position.

It is certainly true—and the statement is simply cumulative evidence of the truth of the view that expansion of labor through inventions has been equal or superior to any displacement that has taken place—that in those countries given to the development and use of machinery there is found the greatest proportion of employed persons, and that in those countries where machinery has been developed to little or no purpose, poverty reigns, ignorance is the prevailing condition, and civilization consequently far in the rear.

CARROLL D. WRIGHT.

Machinery and Morals.

If any one were to ask our fine-skinned apostles of culture, or our learned Doctors of Divinity, whether it might not be possible that machinery had more moralized the human race than moral teaching, he would doubtless see a shudder of surprise shake the sensitive frame of the respondent. And perhaps he would get no reply, the question being deemed merely a question of bantering curiosity, to which an evident negative was the only possible answer. But if we consider the matter closely, the interrogative is by no means so flippant as it appears, and further attention may even give it claim to serious attention. "Man is by nature a political animal" says Aristotle, but one might more justly say that he is by nature a machine-using animal, for it is evident that long before man could have had the smallest notion of politics, he must have begun to use simple machines, such as tools or instruments. And this must also have preceded any feeling about morals. Even the development of that categorical imperative "I ought," about which the high-priori metaphysicians make such a fuss, must have been later. The first man-like creature certainly used a club to knock down his prey, or defend his body, long before he thought of duties, or even rights. And he must have discovered the use of fire, methods of taking fish and small animals, and the advantages of stone tools, before he had any distinct notion of right and wrong as moral differences. In short he was a creature with machineries before he was a creature with ethics.

The infant repeats this order of human development as well as the rest of it, and is a creature of toys long before he becomes a moral personality. And this is quite natural, since it is plain that tools and machineries have to do with the primary necessities of man,—the fundamental needs without which he cannot

survive. A race may be as immoral as pirates and live, or as moral as the Dyaks of Borneo and perish, and that merely according to whether its weapons are better, or worse, than its neighbor's weapons. Machinery, therefore, having to do with necessity and life itself, is more fundamental to existence than moral sentiment. The bow and arrow precedes the ten commandments and the gospel tract by several milleniums. One noticing the fact, and being desirous of following a natural order in uplifting his fellow men, might therefore incline to guess that his first application to them should be on the machine side of their nature, if we may say so, since that is oldest and most developed, instead of the moral side, which is still rudimentary with most races, and far less ready for rapid advance. In short, instead of contributing money to send missionaries, he would rather invest money to build a railway on the Congo, on the ground that African welfare would be more rapidly advanced by the machine than by the teacher. Of course, any one, when taken off from the ground of theory where he may be touchy and inclined to argue, would say at once that the morality of many negroes would get a more far-reaching leaven in the railway, than it has from all the efforts of teachers during the century of their instruction.

But what would be good for raising savages is good also for lifting other men. We are all more susceptible to machinery in spite of our theories, than we are to preachments, and find that the railroad has done more for general tolerance and charity in its fifty years of influence, than all the wisdom of the immemorial world could do before its invention.

And a like effect can be asserted for the workers of the factory. Old economists and philanthropists vie with each other in portraying the awful moral condition resulting from the employment of both sexes in the factories, and the crowded condition of tenements in great cities. Marx and others find the materials of their noisy claim for socialistic laws and adminis-

tration, in the alleged horrors of this condition. But all these writers have been too shocked and hasty to observe, that English and other agricultural laborers were every way as crowded, wretched and immoral; and bad as factory towns might be, the intelligence and morality of the hands were raised, not lowered, by the aggregation which the factory procured. So that we have found mechanics rising steadily in the social scale from the first, little by little winning clothes, homes, schooling, and at last becoming powerful in politics, society, and industry, through their organization, ideas and deeds. Meanwhile agricultural laborers have changed little and the whole effect of church and state to advance them has resulted in little or nothing. Hodge of the hedge is Hodge still, while Bill of the factory has become William, and knows a hawk from a handsaw in all the relations of life.

This transformation and its causes have been nowhere noticed in the works of our popular writers; in fact the contrary of the fact is commonly taken for granted and variously exploited in public prints until it has become a tedious platitude. The cause of the mistake is this; when rural misery crept to the town and accumulated there, it also crept into the notice of the better citizens of the town, who were at once horrified and astonished at it, and brought it out into public discussion. They thought quite naturally that such immorality could not have been in the country, as they had never heard of it before, and proceeded to write about it as being a pestiferous novelty, and altogether owing to the factory and its demoralizing influences. They might have reflected that as according to the Latin proverb, no one becomes his worst all of a sudden—*Nemo repente fuit turpissimus*—so these laborers could not have changed to extremely bad habits from that perfect innocence of country life fabled by poet and romancer from ancient days. But they did not stop to think of this. They made haste to fill the air with their exclamations. Later investigations have shown how wrong they were as to the moral eminence of rustics, and the steadily rising virtue

of mechanics as a class, compared with the complete failure of agricultural laborers to improve at all, quite sufficiently proves how mistaken they were, and still are, as to the results of the factories. For the truth is that machineries have improved the moralities of the laboring classes, instead of depressing them, as our writers allege. The vice that church and state have deplored, and have prayed and toiled in vain to cure, has been greatly alleviated by the unemotional and unconcerned action of the machines, from which no such work was expected.

Therefore, if one wishes to improve a race or a community, it were better to send them at first machineries to use than to send them moral teachers of any sort. The moral teachers would reach a few, the machineries would reach all. How far this position is true, may be seen by a comparison of machine-using countries with those which use less or none. And to take those in nearly the same conditions, compare England, France and Germany, with Italy, Spain and Russia. Each of the former in general moral level easily run ahead of the latter; men say because the first are Protestant, the second, Catholic. But that is not the reason of the disparity as one will see if he compares the non-machine-using part of the population—the agriculturists in all of them—with the machine-using part, the mechanics. Then he will find that the same stupidity, ignorance and immorality prevail among the rural districts in all these countries. The English agricultural laborer lives like a pig and has habits and customs to correspond. So does the Frenchman, so the German, so the Italian, Spaniard and Russian. There is little to choose between them, they are all as much alike as two peas. All boasted distinctions of race, all fancied superiorities of blood, all traditions of the moral effect of free institutions, all contentions of the superiority of one religious teaching over another, all notions of the wonderful value of even free schools, (as in Prussia where only six in a hundred fail to learn reading and writing,) go down in one helpless mass of failure before the crushing effect of poverty which

mere country distances and hard-labor have always entailed. In the stolid persistent animalism of rustic life, there is neither Greek nor Jew, Barbarian, Scythian bond nor free, but brutality is all and in all. The same conditions make the same men. They are not so much immoral as they are unmoral, they have not discrimination enough to ask what is right and what is wrong. One might as well talk of musical notes to the deaf, as to them of fine moral distinctions.

Now the limited and paltry results of missions among civilized tribes, show a failure to realize the truth of this position. If the same money had been spent in building railways, and introducing mowers and reapers, the effect would have been far more extensive, profound and renovating. One does not begin with a catechism and spelling book to train a trick horse or dog. He begins with a device. And in like manner a cunning device is the bait to tempt the lower animal-like mind out the depths of roily obscurity in which it is embedded.

“Fish are they that love the mud.

Rising to no fancy flies.”

But in all countries alike, the mechanic classes are the alert, progressive, hopeful part of the population. Catholic and Protestant, it makes no difference, Pagan or Atheist, able to read or not learned in letters, Saxon or Latin, or Hindoo, or Chinaman, it is all the same—the man of tools and machines is always advanced beyond the man of the soil, has more ideas and more manners, has better customs and wider moralities. As says the Apocrypha:—“Like the ox is the man whose thoughts are about oxen.” The herdsman is as his sheep, the drover as his cattle, the groom as his horse, and one might add, the mechanic as his machine in its swift motion and its perpetually productive energy. We have it is true, as before remarked, the favorite picture of rural innocence and sweet moral simplicity, picture of poet and priest, and tired citizens from ancient days. But how can that stand before the fact that in moral Connecticut—a very

proverb for steady habits—and New York and elsewhere, among the native stock in old farming towns, none are so ready to sell their votes as those who come up from the farms, taking their money openly. Only so far has Calvinism—straightest of creeds, most moral of instructions, brought the communities under its sway. How much further the machines have brought the motley intermixture of all nations, who form our mechanic class, Protestant, Catholic, Socialist, Anarchist, Atheist as they are, let any one, who thinks to buy them off from voting for their own men in their own interests, after trial, testify. He will sooner be able to purchase the gilded youth of Murray Hill when hard up for five dollars.

And because the morality of the mechanics is so solid, so full of purpose, so social, we rate it higher than any other sort, as say that of the merely Sunday-School virtues, though we do not in any way decry those. The moralities indeed that a child can learn in a church, the negative moralities of "thou shalt not," are suited to children. They are of their mental grade. But those which are learned in the hard school of life—forced upon men by the complex necessities of social relations more difficult to define, are of a higher character. They concern accuracy of knowledge, keenness of perception, adaption of means to ends, justice which reviews cases and strikes a general average, love that concerns masses, virtue that sustains families, and honor that supports a cause. Complex machinery requires a nicer adjustment of parts than simple machinery; as every wheel and spring must perform its function more certainly and exactly, so, in the growing complexity of relations in a factory town, must the adjustment of conduct be more secure and certain, reach a larger number of facts and a wider circle of persons. The result is inevitable. Society could not go on were it not so. The shiftless, indolent, irresponsible habits of the farmer, would render the man of the factory worthless to his business and therefore would leave him workless and hungry. Nobody would have him at the

machines, he would not be worth his salt. Every banker knows that a farmer pays his note when he chooses, not when it is due. Protest has no terrors for him. One might as well protest a balky horse. He has moral precept enough, but it is not wrought into his structure by the forces of society, and so he fails to feel the drive of it.

The same proposition so far as we can learn, also is countenanced by the results of polytechnic school training, compared with that of our classical colleges. A higher practice of morality will be found among the students of mechanics than those of academies. There is a conspicuous absence of the "fast" university set. The boys having something serious and actual under their hands form a manlier relation to the world than any which the dilitante instruction of the classics can ever produce. Instead of graduating as an athletic child, the young man of the polytechnic comes out ready to take his place in an actual world, whose moral forces as embodied in the industries of the times he has unconsciously learned to obey. And being continually obliged to add to his real knowledge of things, his mind has not been able to play about the edges of mere book learning, careless of meaning, so long as he could memorize words, but has been forced to know what he had pretended to study. And this too is moralizing to the inmost fibre of his nature.

Therefore, as we said at the outset, man being a tool-using animal long before he is a "moral personality," to moralize him one must take hold of his primal impulse, develop him through tools, raise his ideas by adding to his machines, quicken his moral sense by holding him fast in cities where his relations to men will become urgent and imperative. Moralities are human relations and can only be developed in society. Robinson Crusoe alone on his island could not lie if he would. There was nobody to lie to, nor could he steal, or commit adultery. Therefore the more society, the more morality, and the thicker men are, the deeper their social order must become. The lamentations of

moralist and philosopher on the comparative corruption of towns is therefore really all misplaced and contrary to fact. Paris is more moral than the Cote d'Or, Manchester than agricultural laborers around about that city, New York than Cattaraugus County. Not that all outside of cities are bad—not at all or by any means. They are very good. But there is no field for the exercise of the subtle and extended moralities of a complex society in the simpler one. Of course a farmer may tell the truth, pay his debts, be faithful to his wife, be just and honorable and patriotic as well as a citizen. And if there were only the individual to judge by, the case would seem to be closed with this judgment given. But to judge rightly, one must study the average product—the nomad in the Asiatic Steppes, the North American Indian, the agricultural laborer, the non-machinist everywhere, and compare him with the machinist everywhere to discover the certain and general improvement of the latter. He is a higher creature, and his morality is higher to match him.

Therefore we say, if anyone wishes to reform the slums, let them take tools to the children with the tracts, machines to the men with the preachers, things to make a living with to the women, as well as Bibles or readings, only let one caution be used—take them what they will understand and like, and not what the bearer likes. In other words, give to men what will develop men, not what will leave them as they are. Activities develop, not precepts. A boy is not made hardier, swifter, stronger by being taught about base-ball, skating, gymnastics—only doing them will develop him. And the activities of social life connected with machinery are what elevate and develop. And this development is morality. The order of the world which men have distrusted, blamed, feared, shrieked against, this is proved by our thesis to make for the true elevation of man. Not from books, but from industries, has been his progress. Where there were no industries, or only small ones, progress has been little or none. Moral elevation only falls to the industrially progressive. Central Africa and South Sea Isles give us little, China and India more, America most. The world is thus profoundly moral in its advance. What it needs is more development, the means to which is more machinery.

An Experiment in Education.

At the present time, when the question of education of the masses, and especially the assimilation of our foreign population is considered of the highest importance, the description of a practical experiment that proved fairly successful, may be found to be of interest. If it does no more than stimulate action in the same direction, the great social problem may perhaps approach some solution.

In order to defend the scheme it may be necessary, and certainly will be interesting, to describe the self-evolution of the plan and to give its genetic history. New York City, actuated partly by an open-handed generosity, and partly by a sense of danger, has instituted through the Board of Education a system of evening schools, which, with all their well-known shortcomings most certainly do a definite amount of good work. There are classes composed of foreigners, where English is taught, and where some knowledge of American institutions is supposed to be imparted. It is of this latter class of foreigners, and especially of German-speaking foreigners, that I wish to speak more in detail.

For several Winters I had been teaching such a class in one of our down-town schools on the East side. It was composed of Germans, Poles, Hungarians, Russians, Austrians and perhaps others, all of whom spoke some German, or some German dialect, and all of whom could read and write to some extent in their mother-tongue. Their ages varied considerably, and the class was in all respects quite heterogeneous. The immediate object of the teacher, and I must admit that it was mine also, is to keep his class together, in-as-much as his tenure of office, and hence the "consideration," for which he works, are both dependent on the average attendance of pupils each week. The whole course, if successful in keeping the pupils, extends over a period of ninety

nights, beginning with October, and lasting through to the end of February, not counting intervening holidays and vacations. Active work each night should last from half-past seven to nine; but owing to disturbances by late-comers and delays in preparation for work, for dismissal, for roll-call, etc., at least half an hour must be deducted. This simple calculation is necessary to show how little time is really given to each pupil, even providing that he attends throughout the course. Some of my better men came back to me year after year. They always complained of the long intermission between sessions, that let them forget all they knew. Ultimately I was put in charge of the so-called Second grade, the highest attainable in that quarter of the city. In 1888 I attempted to have them organize into a society for the preservation of their knowledge, so to speak, over the Spring, Summer and Fall months. But we failed, since the only bond of union, the teacher, was not sufficient at that time. The following Winter I started somewhat earlier. It happened that a majority of the class were orthodox Hebrews, and either refused to attend on Friday nights (Sabbath eve), or would not write if they did attend. For the sake of self-preservation, i. e. preservation of the class, I tried an experiment that developed successfully.

I announced that instead of regular class-work, we would try for Friday evening, debating, talks, conversation, discussions, and the like, in which the pupils should play the chief part, and the teacher only an apparently secondary part, (apparently to the pupils), that of guide, encourager, and critic. The debates, always on subjects of immediate interest to the men and selected by themselves, proved immensely interesting to me as sociological studies, and of course to them because they spoke of themselves. "Why I came to this Country," "Is Life more pleasant in America than in Europe," "Sunday Amusement, Good and Bad," "Republic and Monarchy," these were some of the many topics discussed in a lively fashion, and of course in a somewhat crude English, to say the least. Nothing but English was permitted, German and

other languages being tabooed, and fineable to the amount of one cent per phrase. Now and then an evening newspaper was read, instead of selections from our reader, while waiting for late-comers.

Gradually the Friday night had become a social feature of the school; a regular Parliamentary organization with a long, high-sounding title was formed, having its meetings on Friday nights from 8 to 9:30, and running under a Chairman and Secretary elected in the regular way. After various business of an imaginary kind, reports of committees, and other matters illustrating Parliamentary practice, came the voluntary literary exercises in the form of anecdotes, readings, compositions, explanations of trades and professions; then a regular debate on a subject decided upon at the previous meeting. The work became so interesting that the pupils asked to be allowed to invite their friends and acquaintances to attend; and, as I found out subsequently, other schools and classes were tapped to provide the visiting material for our Friday nights. Some of the discussions were of course extreme, from the point of view of a sedate, social philosopher, while they were expressed with a virulence anything but gentlemanly. Bias, prejudice, passion and ignorance of our institutions with self-conceit cropped out in the speakers, and had to be trimmed down and off, by the gentle hand of a firm, unrelenting but tactful critic. I tried my best at that, and my practice as teacher assisted me in cutting without wounding.

Later on in the season, the work had progressed sufficiently to allow one of the more advanced men to try his hand at criticism, and at the suggestion of the society, I criticised the critic, and assisted him in his work. It goes without saying that my mannerisms were copied not only by the critic, but also by the pupils. This, however, would soon be detected and corrected by the wide-awake men in their own ranks.

Thus we vegetated through the session, blossoming out once a week into a full-grown meeting. The organization being tole-

rably perfect, the next step, that of continuing the work after the close of school, had become comparatively easy. It was now a question of money. Hitherto the society had had no expense for meeting-room, lights, paper, etc., but now it had to take care of itself. The committee of permanent post-graduate organization, as it might be called, announced that a temporary meeting-room had been found behind one of the numberless "lager-beer saloons" that infest the neighborhood, and the committee invited those, who were willing, to contribute a trifling sum to expenses, and enroll as members.

After the usual preliminaries a new organization was formed, with a tolerably fair constitution, modelled after those of literary societies. The name given to the society was suggested by one of the men, and is very expressive and short: "New American's Club," which was afterward changed for euphonic reasons to the "New American Club," implying that the members of the club, or brotherhood were *new* or foreign-born men desirous of Americanizing themselves in all respects. The field of work gradually broadened from narrow class-room instruction, and included discussions of the United States Constitution (a clause of which was read and discussed every meeting-night), addresses by invited speakers, among others a physician, a lawyer, a musician, and others of my acquaintance, on various topics of popular interest, talks on ethological subjects by a well-read young friend of mine, not to speak of an unlimited amount of good, plain, common-sense talk, and compositions contributed by the members.

Nothing more need be said of the development of the society itself, except that it flourished so well as to continue without any extraneous help. (I also was forced by other engagements to withdraw from active work). Ultimately, owing to two opposing factions, the young men (under 21 years) on the one side, and the older men (over 21 years) on the other side, separated, the latter party seceding according to the spirit and letter of the Declaration of Independence, and continuing the organization under

the old name, but protected by a charter. The younger men, after considerable wrangling that did them credit as future American citizens, reorganized under the more ambitious name of "New American Educational Club," also obtaining a charter. After the quarrel had been brought to an issue, I was called upon to act as peace-maker, but of course succeeded very poorly, (since I had no army to call on to subdue the rebels), and so the two confederacies or unions live peacefully side by side, and flourish, each in its particular sphere—or age.

The constitution of the club and all other particulars have of course undergone many changes and adaptations, some perhaps for the worse, but mostly all tending towards a better administration of their affairs, and towards supplying any "new-felt wants."

Politics and religion are naturally avoided in all discussions. Now and then Anarchistic, or Nihilistic, or Socialistic, or Monarchistic, or Atheistic, or Pantheistic tendencies show themselves in the airing of special impracticable theories, but they rather amuse the "populace" and stimulate independent thought, than demoralize them, or tempt them to strive after the impossible. Nor was the social side neglected. Since lingering in the "saloon" after meeting hours is not encouraged, an intermission of a few minutes is usually allowed in the middle of the meeting to enable members to become better acquainted with each other, as well as to give them a chance to discuss the affairs of the club's welfare in an informal manner. A visiting committee also looks after absentees, and an advisory board suggests subjects for reading and other exercises. An entertainment committee arranges so-called "open" meetings of the club, for which regular invitations are issued, to which women are also admitted. These "open" meetings are followed by an informal dance, at times accompanied by a limited indulgence in beer, soda-water, and ginger ale, at the option of the individual.

To sum up, the advantages of the scheme are :

Firstly:—The independence (financially speaking) of the club, since it is *entirely*, and not only *apparently*, or *nominally* self-supporting.

Secondly:—The inducement it offers towards self-education, all being encouraged by the work of their equals, and even of their inferiors, and improved by the work of their betters. This brings about a development of individuality in each member.

Thirdly:—Its utter independence of any avowed scheme for the improvement and assimilation of Jewish people. They do not like to be either scolded, or preached to, and should not be constantly reminded of the ethical purpose of the association. Young Men's Christian Unions and Associations of other characters are excellent, where the members wanted are supposed to be Christians, Hebrews, Atheists, or Mohammedans, but morally developed and in full agreement with that special scheme of civilization. But when you take a number of extremely suspicious and suspecting foreigners, who rely only on their own associates and have confidence only in the methods of their mother-country, you have to be very careful not to offend them by any slurs, nor scare them by any avowed scheme for the betterment of their moral or intellectual status. Allow them to work out their own salvation, and with a little judicious guidance and occasional piloting, their ambitions will be aroused, their hopes will be nourished, their thoughts will be stimulated, and the good and noble in their nature will be sure to develop itself.

Lastly:—Where a pupil does not take to instruction from a teacher, he will accept it and will thrive if helped and taught by a fellow-pupil. In this I am sure to be borne out by pedagogic principles. This method of instruction is largely employed in the club out of sheer necessity, and works fairly well, even in the case of those who instruct the others, provided their "vaulting ambition" be not allowed to "o'erleap itself."

The shortcomings of the scheme are not numerous. First of all, it influences only those who are already eager to learn.

Then again the patterns and examples are far from perfect, and the associations are not what they ought to be. So, for instance, owing to the narrow sphere of the members, the readings aloud that are imposed on the men at the beginning of their career in the club, are, as a rule, not selections from the classics, but from very trashy stuff from cheap periodicals, or other common literature, when other matter is either beyond the grasp of the reader's mind, or where good selections are not accessible to him. A good free circulating library of *English* books would be a boon to that neighborhood.

The club should always be attended by some person who can instil a proper spirit of decorum by his very presence, until the men can watch themselves. Trouble arose, almost immediately after the writer of this sketch was unable to be present. The average low status of the intelligence of the majority is apt to cause it to reverence an education higher than its own, be it said without any spirit of self-exaltation, and rather as a by-path observation of human nature. The danger lies in the wrong person getting control, and using his brilliant powers to blind the others and to domineer over them.

Other faults will no doubt suggest themselves to the readers of this somewhat extended sketch. Plans for improvement may ripen in the minds of the more active thinkers, or total changes may be advised by other and more radical observers. If, however, I have succeeded in interesting you in any plan for the self-education of the masses by the simple recital of the evolution of our scheme, I shall have done all that I intended to do. The problems, that beset us from all sides, are multiform and numerous, and every mite added to the observation of facts is a step towards their ultimate solution, which must eventually be brought about by a mind comprehensive enough to take in all the data, and sufficiently discriminating to eliminate all unnecessary conditions and qualities.

PRACTICAL TEACHER.

Burgess' Political Science.

Professor Burgess has produced a book of much thought, reading and knowledge. He covers a wide field, he writes clearly and rapidly, he expresses his own opinions forcibly and distinctly. If he had leaned upon the Germans less hardly he might have written more coherently. If he had regarded facts more, and theories less, he would have written more convincingly. If he had studied Economics as well as law, he would have been nearer the fundamentals in this matter. But after the manner of students generally he goes to the libraries too much, to life too little, and he starts out with fine assumptions instead of the actual relations of mankind. So he finally does not find either the true origin, or the true method of development of the State. And therefore we doubt if he has added any serious contribution to political science. He has Germanized too much, and been misled by the idealized conceptions of the closet generalizer. He defines the State to be "a particular portion of mankind viewed as an organized unit" which describes a nomad tribe far better than it does a political society. He again says: "The State is the realization of the universal in man, in sovereign organization over the particular" which is just the reverse of true, since only among low tribes is the individual little and the State large. Among us the universal is little and the individual is much.

But either of these vague definitions, like a fog at sea, should have warned the navigator of dangers at hand—they are too cloudy to be the delineations of such definite organizations as are States. Who ever thought of a tribe of Bedouins as a proper State? Or who would care for a State at all which erased us as individuals, in favor of it as universal? Individuals are the most important things in the world.

Professor Burgess sought first for sovereignty as the character-

istic of a State, and finding that ultimately sovereignty could be enforced by the mass of the community, he defined that to be the State. But really no State exists until there is an organized government. And the government, as representative of the community, becomes the State. The State is much more the government than it is the community without the government. And if this be true, Professor Burgess' book with all its elaboration is but a castle of cloud ready to vanish away.

He has simply written about a State of his own, whose best representative would be found in an Indian tribe, the Pequots, or the Delawares. All his elaborate chapters to show the State as existing "to establish government and liberty" are therefore in vain. The State is the government, and its relation to liberty at any time is merely its stage of political development. The fact that a State, as a community, may change its government, no more disqualifies the government from being the State, than the development of a grub into a butterfly, destroys the identity of the insect which makes the transformation. The State, like any other human institution, changes and modifies itself perpetually. Not being any sort of an ideal, but simply an every-day working organization for practical purposes, it has of right no such pompous and high-flown attributes as the professors and idealists apply to it. All these notions are born of the atmosphere of courts and schools. They are the creation of courtiers, pedants and poets. Shakespeare, under their influence is caught writing: "There is a mystery, with whom relation durst never meddle, in the soul of States," as if the very soul of the State were not its relations and nothing but those. Professor Burgess and all the Germans, Bluntchli, Von Mohl, Hegel with their scholars are much concerned with this "soul of States," and are as misty in describing it as are metaphysicians in defining the soul of man. And they all begin with a highly advanced State, an ideal State, and so miss the essence of all real States, whose beginnings are obscure and hesitating, and whose ultimate form is manifold, adapted to use, and fits like a skin to the body politic.

Our own impression is that all the publicists are at fault, because they begin their studies too far from the original man, too high up the human tree. Let us begin back with a sort of incipient man, a gregarious animal. Like other animals he forms a society for help in his struggles for existence. This society protects itself from enemies; and protects its own living from predatory strangers. Here obscurely the State begins. With multiplication of persons, relations become more complex and develop customs. Customs fix and become institutions. A speaking animal like man finally formulates his customs into words, words become maxims, maxims ripen into laws. Early tribes are most concerned about food and propagation, and all their life is devoted to these. When the tribe has a man of genius like Prometheus, who gives them fire, or Vulcan, who gives them tools, they honor him alive, and worship him dead. This grows to a cult, the cult brings the priest, the priest is supposed to be a useful, productive citizen, since he pretends to make rain, give fertility to earth, increase to cattle, success to hunters, and victory to warriors. He thus gets his authority for his alleged power to increase the wealth of the tribe. A common *wealth* is the first idea of the State. The State as government is guardian of that. The whole fabric thus grows up around a central idea of the means of subsistence. So long as the State can help to that, it stands; let that fail and it goes to pieces just as does an army without rations. All the "soul," "mystery," "sovereignty," "divinity" of a State, "the idols of the tribe" of publicists, as completely evaporates when this primal purpose is defeated, as does the poetic dew from the face of a desert. The Roman populace demanded "bread and games," and when the bread failed it became revolutionary. The State began to break up. The modern State holds its sovereignty on similar terms. If any government fails to keep the means of subsistence in tolerable condition, it will go over, as Italy, drained by military taxation, is threatening to do now. Bankruptcy is the one fatal danger to States, and all

modern revolutions have been questions as to the means of subsistence. Charles I. lost his head on ship-money; Louis XVI. lost his because excessive taxation beggared the peasantry; George III. lost his colonies on a stamp tax; Russia may easily be revolutionized on her distressed finances. "The soul of States" is wealth, and to this, government, liberty, reverence, patriotism, traditions, dance attendance as do the motes to the sunbeams. And this history of the origin and object of the State is the main schedule of its duties and obligations. It chiefly has regard to increasing the means of subsistence of the community. In so far as it looks after that, it is doing its duty, in so far as it is not doing that, it is minding other business than its own.

Professor Burgess in his lofty discussion of the relations of his fanciful State to government and liberty, is far away from anything so humble, and while he moves the clouds of his phantasmagoria hither and yon in striking perspective, produces many phrases, but builds no stable structure.

His discussion of the internal relations of different parts of different constitutions and parts of government to each other, in the English, German, French, and American States is interesting. Though we notice that each nation finds fault with the Professor's statements of his own case, as being too much biased by his theory. It is a study of machineries, and unencumbered with his special theory might be useful. But once the State has been made into an entity, having objects and relations of its own apart from the material welfare of its people, a host of phantoms spring into apparent existence with claims and powers of infinite demand, and difficult to adjust. They are such as these—the divine right of Kings, the rights of the different Houses of Congress, of the Executive, of individual freedom, of each different member of the community or body politic. As a matter of fact doubtless these different parts do get themselves entrenched and defined, and visibly set up their own existence and powers as against the powers and authority of each other, to the disturbance of the

general weal. So we have our States rights in conflict with the General government rights, and one party trying to extend the latter over the States—another to establish the States as against the General government. Hence we came to a civil war. But even there the pressing object of all States came into full view as the real cause of the struggle, namely, whether as a means of subsistence slavery or freedom was the better for the community, and this was the question decided by the superior resources of freedom in its own favor.

The phantom of State and Federal rights was the nominal question as issue, but if freedom thus established, had not been able to make the South more prosperous than it had been under slavery, all the amendments conceivable would not have established the Union as supreme any longer than our armies were on foot to make it so. The phantom of State or other rights was exorcised by the reality of prosperity. The question then of the rights of different branches of government as against each other, forever raised as questions of law, are in any true solution settled as questions of national welfare. Whether Congress shall govern the Supreme Court or the Supreme Court Congress, whether the Executive shall dominate as in Prussia, or the Cabinet as in England, or Congress as in the United States, are matters finally decided by public welfare. And if all such questions were thus referred to their ultimate purpose, namely, the well-being of the nation, rather than to past history or what was intended by our fathers or what is the significance of the Constitution, progress, would become much easier and more definite. Instead of the jarring clash of contending factions, we might have a sane discussion of things with reference to the general weal.

This is in fact the happy change which is now coming over the development of events. The letter of constitutions is now easily abandoned for the evolution of their spirit. Not what has been, but what shall and should be is the rudder of thought. And so far, Professor Burgess, whose idea of political science

should have led him to more philosophic conclusions, making him prophetic instead of legal, falls short of his own opportunities, and gives us rather a work which might have been good for the past, than forecasts and foreguides the future.

True political science would consider whether for instance the Farmers' Alliance would add to production, whether free coinage would increase national wealth, whether free immigration is to our material advantage, and whether a national suffrage bill, a general divorce bill, a consolidated-law bill would, or would not promote the general prosperity, of which questions he does not come in sight.

So questions of the relations of State and general government, of Judiciary and Congress, of Executive and Ministries would all get a weighty addition to the consideration of their rights and duties—namely, their usefulness, while narrow legal definitions irrespective of the general good would go out of date. The whole State would thus become, as it is becoming, a perpetual committee forever sitting on the question of its own welfare and determining all things by that.

We are thus very far from the Professor's notion that the State as such has for its object "to establish government and liberty," but we are nearer to fact and to the State of the citizen as distinguished from that of professor and lawyer. But both of these latter are gatherers of fossils, and always will be. Their domain is the past, their delight what has been, their labor is to establish the old, their hope to cast the future in the moulds of the present. But "the State" is always alive and has always cast off its yesterdays in preparation for its to-morrows.

We do not mean to say that the legal positions and relations of different parts of government have not to be defined, and that the definition is not important. That would not be true. And such definition does at the time give steadiness and solidity to the existing machinery of the State and prevent it from degenerating into a mere vagrant mob rule. Here the lawyers come in

and work their creaking grind to their hearts' content with such results as they may. But such results are temporary. The Supreme Court may decide that "a negro has no rights which a white man is bound to respect," and the nation listens—till the general material weal of the nation comes up to question and then lo! the negro gets every right which the white man has. The Supreme Court decision is whistled down the wind. As it ought to be.

Professor Burgess' different constitutions are indeed worthy of comparison to find out which does the work best of making a nation prosperous, just as a study of double, triple and quadruple expansion engines would be to learn which gets the most power out of the least coal. And we should not decide such a question by the tests of which gives "the most government with the most liberty," but by looking into the production of each country, and seeing which gets the most for the least, which is sure to be where labor is best paid, and society in consequence on the highest average level. This seems to us to be a matter worth writing about, but not yet written. And every book on "the State" as "a particular portion of mankind viewed as an organized unit" without reference to the prime object of such organization, as subservient to human purpose will, we venture to think, be found to have missed the heart of the question.

Professor Burgess can hardly be serious in saying that as the Teutons are the best political organizers according to his notion they should extend themselves and their institutions everywhere, even by war and force if needs be. A little regard to the German as he now is (not of course to be expected in a Professor who only reads for his knowledge), might suggest that a universal German Empire would be a possibly stolid and brutal affair. And anyway, even English and American Teutonism trampling over other nations in big trooper's boots would be a bitter spectacle for civilized men, who believe civilization is worth while because it develops industry, and not slaughter and politics. Any

theory which issues a warrant to one race to play freebooter at large upon the rest of humanity in behalf of its politics, is thereby self-condemned. It is the theory of a hopeless doctrinaire alone. Mankind does not exist in order to live under special political systems. One would rather be a rich Slavonian than a poor German, even though the latter lived in the most beneficent of Teutonic governments. And a sanction of science to a nation to go on a crusade for its political system, is such a relic of pure barbarism, that it suggests rather a Roman legionary than the professor of a university. But the inquisitors were scholars.

The Economics of Luxury.

In a recent issue of *The Christian Union* reference is made to a public dinner, and exception taken to the floral display and luxury of that occasion. Now this taking exception is based on false economic views, and however much it may belong to ethics, it does not belong properly to economics, and indeed tends to destroy those very conditions which makes higher ethics possible to those whose standard is now a low one. This outcry against lavish expenditure, enervating luxury, recklessness and ostentatiousness is often in the mouth of the moralist,—and rightly enough when we consider the frequent spiritual poverty of the rich, and that he is often as justly the object of charity to the philanthropist as is the outcast. But looked at from the standpoint of economics there is another side to this question.

Even looked at in the most restricted way, the money spent on the occasion referred to has passed over from the hands of the rich to the hands of the toiler, adding to the comfort, or pleasure, or taste, of many families. But looked at broadly, is not this expenditure typical of all expenditure beyond the bare necessities of life? Does it not mean consumption of commodities? Does it not sustain a thousand industries, and through them distribute the means of life without pauperizing the recipients or depriving them of their responsibilities, as most institutions and charity schemes are apt to do?

We do not want less luxury, but more. We want civilization; and that means refined tastes, flowers, music, fine fabrics, fine surroundings, which inspire to cleanliness, and manners, and morals; which bring better environment, and a higher standard of living for all classes. The middle class to-day is better housed, clothed and fed, and has more comforts and luxuries than royalty had three hundred years ago. Less than three hun-

dred years, with the gathering momentum of the race, will house and clothe the poor of that day, as well as the capitalists of to-day, by the simple operation of economic laws, and the progress of civilization.

Why does our laborer get higher wages than a Chinaman? Simply because the standard of living of the whole class is higher. Therefore raise the standard of living in all ways. Educate and civilize. Shorten the hours of labor—above all do this—that the backs bent with weight of weariness may straighten a little, and the heads be held up in dignity of manhood, and an outlook be taken on earth and heavens; and then comes a little leisure for study, a little more ambition, and one by one the luxuries creep in and make home attractive, the manners gentler, and the habits more refined.

Far from crying out against luxury, let the enormous middle class and the toilers below it all demand luxuries. They are the great body of consumers. Give them a chance to consume as well as produce, and flying shuttles and spindles all over the land cannot work fast enough to speed our industrial prosperity, the prosperity of the toilers, as well as of the capitalist. Shorter hours, and the higher wages which have never failed to follow in the wake of shorter hours, would give an immense impetus to the welfare of all classes. Your best market, capitalists, is in the shops and factories, where toil your wage laborers. Give them the means to become consumers of the luxuries of life. Their well-being is yours. Be just and fear not. Trust a little to the workings of universal laws. The race is a unit, and all stand or fall together in the long run. Brotherhood is no mere sentiment of the unpractical few. It is an inalienable, ineradicable law, waiting to be recognized as the simplest law of all. The time has come when even philanthropists question old methods. We even hear of institutions closed because they pauperize and diminish responsibility, and because children drilled in squads have not the training for practical life, and having been dealt with contrary to

the natural law of family life. The toiler wants opportunity, not charity. Social improvement is not attained by lessening expenditure and giving to the poor. That is a method not adapted to these times. Justice is obtained by careful study of economic laws, and such application of them as will work the most world-wide and swiftest help—a help that shall not debase, relieve of responsibilities nor stultify freedom, but shall leave room for growth mentally and morally.

It has been said of most political schemes or economic reforms, that there is always somewhere "the forgotten man." It behooves the political economist to include all—forgetting none. "Give the poor a chance" to escape their slavery, and move on to the higher social ground for which civilization should have fitted them. The "next" of the social outcast is comfort. The "next" of the toiler is more luxury and ease. The "next" of the millionaire is a deeper sense of his moral accountability and a deeper social insight.

We had the Elizabethan age with its brilliant galaxy of writers. We have had our age when Capital was sole King; now other ages throng upon us—not one alone, but many—and first comes the age when labor shares the throne with Capital, and prepares the way, by the general uplifting of all, for an age of higher intelligence and morality in all departments of life, and a boarder social brotherhood.

ELLIS MERIAM.

Social Questions in Magazine Literature.

In the *Fortnightly Review*, Lady Dilke and Florence Routledge discuss "Trades' Unionism Among Women," approving of the adoption of it among them, and lamenting that it did not begin earlier. Of course they are right. The modern woman's movement is marked on every side by the formation of societies for every object deemed desirable. What we should call the socialization of woman is setting in violently, and will produce among them all the results which it produces among men. "In union is strength." Discussion disciplines and develops. Co-ordinate action gives force. From a mob, women will organize an army. And the army will carry many positions impossible to the mob.

This organization of women is one of the special characterizations of this generation. The woman is coming to consciousness as the Germans phrase it. She is becoming an individual. No longer slave, servant, or plaything, no longer a spoiled beauty or a glorified child, or a despised drudge, she begins to reach out towards the creation of a world suited to her wants. She no longer wishes to drag at the heels of man, the pensioner of his pocket and the sport of his caprice. She will be herself, and she will become not less but more womanly in the process. Specialization will take place, and what she can do better than man, she will do most, till the overlapping spheres of each are quite separated, and her part in the world will be differentiated from his, and integrated into one suitable for her.

The opposition to her individualization is already dying. She is now allowed to do what she can. No one protests. And she is found to be great help to affairs. Her new discipline makes her more effective and less burdensome. She assists civilization. In this country she is far in advance of her European

cogener. There she ploughs and makes hay and drudges at cattle-tending, and is a beast of burden. In England she is an iron worker and swings a hammer like a man, and loves her ponderous drudgery, protesting against being deprived of such employment. Like a caged animal whose door is suddenly opened she is afraid to go outside and escape.

But when she develops, and learns to know, that where women work at trades, the man working at the same gets just so much less wages for his work, she will change her mind. She will learn that the family is the unit of subsistence, and that wages are determined by the cost of rearing a family. Where men only work, the man gets enough to support all. Where the women and children join in toil, all together get only as much as the man alone got before. The law is an iron one. Women are doing best where they invent work of their own and devote themselves to that. Single women alone should seek employment. The married should devote themselves to the family in the largest sense, not merely its food and clothes, and with increasing intelligence they will make the home so attractive and interesting that the saloon will lose its charm and the club its dull fascination. Let women reflect on her possible growth in this direction.

A striking article in *The Westminster Review*, on the Primrose League, "devoted to the maintenance of Religion and the Empire," tells how the Irish have always clung to their religion, and do not any longer desire separation from England. Though always misgoverned, they have still a share in the glories and history of the Empire, "having given generals to its armies and armies to its generals." It asserts that all the Irish desire is a parliament of their own like Canada and Australia. It quotes Lord Salisbury as saying "the disease" is not in Ireland but in "Westminster," and the one thing peculiar to Ireland has been the government of England." The writer does not see that,

whatever statesmen and Leagues may say or do, the real one thing that has persisted in Ireland is poverty, and that has caused the persistence of every other evil. If the English would devote themselves to making material prosperity there for a time, by inspiring the Irish with a desire for better food, clothing and houses with factories, to make the wheels of progress turn apace, would soon bring them to English views. But discontent flutters the rags of poverty, as does the wind the threshers' chaff, and there is no relief except in a greater consumption of goods by Irishmen. Poverty has slain, only wealth can make alive. What the Irish most need is factories.

In the *Nineteenth Century Review*, Mr. Samuel Plimsoll writes on "Trusts; An Alarm," an article which puts us in mind of a watchman's rattle whirring out its indiscriminate noise at some untimely hour at a false alarm of thieves, for whom some belated and muddled lodgers fumbling at their keyhole are mistaken. He really might see, if he were not so nervous, that a combination of 40 or 500 capitalists to do business differs in no way from one of 3 or 5, excepting in power to produce more at less cost. And if he would read, he would find that trusts make their large profits out of expenses saved, and still reduce prices to the benefit of the community. He seems to think the Legislation attempted against them to be a proof of their mischievous tendencies, forgetting that nearly every great advance is first opposed, then endorsed, then adopted and urged. Even Copernicus' demonstration of the earth's revolution round the sun was first denounced, then discussed, then received. The Rev. Dr. Ramsdell thundered against vaccination at Cambridge in 1813. *Ex uno disce omnes.*

Senator W. M. Stewart is out in the Forum for June with a clamor for more money in the sense of more coin, that is of course more silver. He seems to think that all the nations which have adopted the gold basis of value are straitened by the scarcity

of gold, as he calls it. He is misled as to the value of gold by his mistake that value depends on scarcity, whereas if gold were as plenty as sand, and it still cost as much to produce it as it does now, its value would be the same. Aluminium has always been as plenty as iron, and yet once sold for the price of gold because it could not be obtained from nature for less cost. Ninety per cent. of all our money is not coin, but paper, checks, drafts, etc., and there is plenty of those so long as there is enough of value in stocks, bonds, houses, lands, etc., to back them up. Everybody just now is considering how we have managed to send fifty millions of gold to Europe without even producing a stringency in this country. The problem would be insoluble were coin money a prime necessity in business, but it is not. So long as we have all our real wealth unimpaired in our stocks and bonds, houses, food, land, etc., and the drain of gold is replaced by sound securities given for it as it must be, it is an easy matter to issue checks, drafts, etc., on these enough to fill the small deficiency arising from the diminution of the gold reserve.

It is a vague perception of this position which is bringing the financiers of the civilized world to a new method in handling money. The consolidation of bank resources in our last panic, and the issue of joint certificates to each bank upon such sound collateral as it was able to offer, met the alleged deficiency of money by an addition to the bulk of paper certificates-of-value, which relieved all necessities and prevented a wide-spread disaster. Real values being at hand, there was no occasion for panic, and banking on those values prevented it. Henceforth it will always be so, since the true nature of money (and even of gold coin as money) as merely representative of value was clearly brought out to our great relief.

And this is brought into still clearer light by the action of London bankers in the crises of the Barings. There it was believed that real values still existed in the Argentine enterprises only waiting for time and completion to bring them to realization.

Money was advanced and danger averted. If there had been no such assurance, the crash would have come, gold or no gold, and until such value is assured, the emergency cannot be deemed to be surpassed.

The mischief is to pay when values shrink, when enterprises undertaken collapse and yield no returns, and if money should be found to be wasted in Argentines and other wildcats. Gold is little and silver less so long as wealth in things remains, but when that sinks—the storm is at hand. Our amateur financiers should learn from the present ease in money in the face of so much shipment of gold that money stringency is never produced by a need of gold, but only by a collapse of values.

Senator Stewart says: The only persons interested in preventing free coinage (of silver) "are the owners of gold and gold obligations, a class of persons who are willing to sacrifice the happiness of mankind to increase their own accumulations." A lover of this sort of rhetoric might retort that the only persons in favor of free coinage are those interested in silver mines, "a class of persons who are willing, etc;" but it is out of court to use such expressions. Senator Stewart but impairs his own authority when he consents to such assertions. There are people who believe in a gold standard, irrespective of their own private relation to it, and these people are all Europe and a large part of America. There are people who believe in free silver coinage and the double standard, and these curiously enough are mostly silver producers. So among leather men "there is nothing like leather," and among horse men, "there is nothing like horses."

But until Senator Stewart and the silver men can see (if they actually do so wish to see) that money in all cases, as money, is *representative* of value only, and not value itself, they will be able to say nothing instructive. If Senator Stewart does once see to that proposition he will change his mind as to silver, and lose his seat in Congress in consequence. Money really represents only a transition state of things, and as money only stands for an unfin-

ished transaction, the things whose exchange it facilitates are the real value. Nobody wants gold or silver to keep. Everybody wants income-bearing property, and whether the medium of transfer be gold, silver, paper, checques, or a transfer on a bank account, it is all the same. Where the wealth is it matters little whether there is much or little coin.

The North American Review for May is almost as "economic" as if it existed for economics only. It opens with a paper by Bishop Potter—the Bishops swarm to this subject like bees to a cherry tree in blossom—on "The Gospel for Wealth." He falls into line with others of the "lawn sleeves," though after a fine and dainty fashion all his own. There is no prelate on the Bench of Bishops who more becomes his place than he, our own Metropolitan, who is properly known and praised of all men. And he gives his Episcopal blessing to all methods for benefitting the poor, which have succeeded already, after the usual ecclesiastical manner. He wishes the rich were more interested in the discussion, and he urges on their attention how much freer, and nobler it would make them, to be interested. He cites several examples of the loveliness of self-denying characters and their beneficence. He speaks of Tweed's diamond suspender-button as a foolish use of wealth. He tells of a rich man who opened his house "where everything was exquisite" including the music and the cup of tea which constituted the simple and refined entertainment, as setting a good example. But as to the real uses of wealth, is he not as blind as others of the Episcopate the great Manning and Gibbons, and the rest? For charity may plant and Bishops water, but business must give the increase. And oh! good Bishop, learned, elegant and fragrant hearted as you are—do you not see that all these things reach not to the core of the matter in any way? Were all rich men, and all social elegance to be turned in a body under the direction of presbyter and prelate to the improvement of the poor on your lines, their united efforts

would do no more than would a few nights' dew upon the sandy Sahara. The desert drinks up the dew and is as dry as before; the poor, like Pharoah's lean kine, would simply devour the rich, and be as lean as ever. We are in a real world, not in a poet's land of ungrudging nature. Plenty must be wrung from the treasure of nature, not from the treasure of the rich. Wealth must be created, not taken from one and given to another. Look to the resources of toil for abundance, and not to the millions of the rich! Help us to organize labor, invent machinery, push enterprises, develop new wants, stimulate ambition, increase such envy as spurs to exertion, multiply work—if you will really assist the rich to assist the poor. Drop the fetish of charity, turn to the living God of production,—labor!

We venture to think there is more of true direction and guidance in our article entitled "An Experiment in Education" than in all the Bishops' well-meant pages. This writer shows how a wholesome, self-supporting, active and far-reaching movement was started and succeeded. May we call the attention of his Eminence, and all other Eminences likewise to this example, which catches at the nearest way, and whose lesson is to make the poor help themselves, and in order to do so, shows how to find something that interests them and stimulate them to that. Use money to give them tools, pleasures and opportunities. Only what they do for themselves can permanently uplift them, what the rich would do might only degrade. Help workmen to get more wages. not more dole.

Next writes E. J. Phelps on wealth also, with the usual Penelope-unravelling at the end of his tract, of the web he has woven at the beginning of it. Failing to see that larger and larger capital in fewer hands is indispensable to the greater industries of the future, and to that economy in producing wealth which will enrich all by drawing prices down within the reach of all, he deplores the existence of those "who use money only to make more money" as being "the cankers of a calm world," and "a re-

proach to their whole order." Such a mistake! Are these very men not the very soul and push of the immense energy of the time? Do they not with their millions lay out profitable work for thousands upon thousands of laborers, whose wages they pay, distributing money in a perpetual, honest stream as far beyond the gifts of charity as a river is more than a reservoir? Surely it is short-sighted not to see this. Speed on the reinvesting capitalist, and he will speed the wheels of labor and its rewards.

Right Hon. J. Chamberlain, M. P., writes in favor of what he calls State Socialism, but means only that the State should legislate for the masses, and shows that such legislation has been very beneficial in the past. He thus puts the let-alone statesmen to the blush, but not the individualist. Socialism means that the government should take in hand the prosecution of industries, factories, railways, etc., and therefore Mr. Chamberlain's article goes to show nothing in its favor, but only that good legislation is good, and the more widely it reaches, the better it is, with which we agree.

Sir Charles Tupper unmasks Mr. Wiman's terrible conspiracy to get hold of Canada after a fashion which makes us wonder if he is a connection of the late Martin Farquhar Tupper, sometime poet and philosopher. He writes with English insular narrowness and the English dullness to tell a mare's-nest when he sees one.

Hon. J. S. Clarkson writes rather a shrieky article on the "Politician and the Pharisee," *i. e.*, the Mugwump. He praises the town meeting and thinks that if the South would adopt it, much political good might follow. Perhaps so, and if the hen had oiled feathers and webbed feet it might swim. The Southern type is too far advanced for that kind of a change. It came from Baronial, England, with its suspicion of the populace. Mr. Clarkson is aggressive and sentimental, but says many true

things especially about the honor of American politicians. They are pretty good men, patriots, honorable, and bent on the public good, and public examinations would hardly improve them. But what he avers respecting the overwhelming necessity of having a civil service which keeps everybody interested in politics is well worth saying. China with her civil service examinations has failed to develop a nation interested in its own politics, and no Democracy will be great until it is so interested. As a matter of fact, our lowest laborers are excited with politics because they and their personal friends have a chance of bettering themselves by political means. The second French Empire could never have been, if this had been true of Frenchmen. There, and in Italy, the difficulty is to get up an interest in affairs, and it would be so here without the hope of offices in some form dependent on personal activity.

The Marquis of Lorne follows on Canada and gives us a chance to see how a Lord may think. His English is sometimes awkward, but his expectations for Canada are both sane and sanguine. Canada has enormous resources and will be great.

"Napoleon's View of Religion," by H. Taine, may be summed up in one remark of that soldier: "The people want a religion, and this religion should be in the hands of the government," which is one epitome both of the subject and of Napoleon. We have resolved the subject better over here.

Mr. Henry Cabot Lodge on Lynch Laws and Immigration, shows to what an appalling extent we have been used as a rubbish ground for European criminals of all nations. The wonder is that with such contributions we are at all respectable. Might not a great improvement in our immigration be created by introducing the very simple requirement that each immigrant or head of family should be obliged to show twenty-five dollars cash of his own on landing. Without that, no landing allowed. And to forestall fraud, enact that the twenty-five dollars be legally his, if once shown as his, whoever else may claim it.

Editorial Crucible.

Correspondence on all economic and political topics is invited but all communications whether conveying facts, expressing opinions or asking questions, either for private use or for publication, must bear the writer's full name and address. And when answers are desired other than through the magazine, or manuscripts returned, communications must be accompanied by requisite return postage.

The editors are responsible only for the opinions expressed in unsigned articles. While offering the freest opportunity for intelligent discussion and cordially inviting expressions of well digested opinions, however new or novel, they reserve to themselves the right to criticise freely all views presented in signed articles whether invited or not.

THE "NEW ORLEANS PICAYUNE" notices our tables of contents for May as decidedly heavy, and our magazine as estimable by its "weight." We wish indeed that we could woo our lighter contemporary to think more of our "subjects," even at the cost of loading his mind a little with weight. For no doubt, if he could but once be induced to apply his sparkling intelligence to our important questions, he would quickly produce articles as attractive for their radiant style as they were valuable for their serious import, and he would add a new work to literature combining wit and weight in a most laudable degree. And then perhaps our contemporary could help to build up, as we are striving to do, a social condition in which a miscarriage of justice in the courts will not have to be righted by a slaughter in the prisons, or still better than that, where all sorts and conditions of men shall love industry and be devoted to producing the materials of social progress.

ECONOMISTS who are writing about the congestion and overcrowding of population in England and in the centres of this country and talking Malthusianism as its remedy, should con-

sider well the recent census of India as given by the British Government; 286 millions of people in all, giving 474 persons to the square mile in Bengal alone! We boast of our 62 millions, and already begin to talk of overpopulation with an air of lofty endurance as if talking were likely to stop it, even if we wished. What we have to face however is a still greater density of population rapidly accruing, whether economists may shudder or not. Less than our present rate of increase would give us 400 millions in a century, and all the wise-acre pessimists may well shake their heads at the prospects.

But supposing we reverse their propositions, and assert that the more the merrier. What a pleasant prospect is opened up to our descendants! We have only to say that a man is a valuable creature, that he can always support himself and more too, that where there are the most people there is the most comfort, gayety and virtue, that many hands make light work and many brains make many inventions, to convince ourselves of this cheerful creed. And now this Hindoo census will sustain us. The old monotony is disappearing before the magic of machinery. There are teeming multitudes increasing daily, and even with their poor methods of production they all live and enjoy the sun. They crowd into cities in order to be still more sociable and get a better living than the land affords, they get sustenance from half an acre of land enough for one person, they bring up families and are learning to work regularly. The new railroads are giving them mobility and breaking down caste, the new factories are making them richer and comfortable. Once machinery gets its full force to bear upon them and their wealth will increase by leaps and bounds, with comparative plenty for everybody and the general civilization which machines give to the lowest, will penetrate through the whole vast mass, whose consumption will keep the wheels revolving at speed night and day and give to the world a commerce which shall make the activity of this day seem a retail affair and slow-footed withal.

And we are going the same way. We are to fill our deserted farms with countless laborers and make our hamlets into towns, our towns to cities, our cities to vast dimensions, where men shall live, each one far better than he does now, and less work and more pay and greater pleasure. There is no visible limit to human progress or felicity in this far future. We as yet but stand upon the threshold of its achievement. Our shortening labor day, our increased production, our increased general distribution, our growing wealth and culture and elevation, our widening knowledge, our multiplying invention and command of nature—all prophesy a day of general emancipation and enjoyment when the world will no longer be called a vale of tears, but rather a valley of delights. A thousand millions of population can live together better than half that number, on account of their mutual assistance to each other. A large desert island with one pair on it is no place for either pleasure or easy life—as Malthus would logically assert—rather is what men call the bustling, noisy, anxious, fevered city where men are many, wants many, and supplies many. Men starve in the woods, not in the town.

We may therefore enjoy the prospect, and wish ourselves to have been born rather later than earlier, so far as the relish of life and the ease of living is concerned. France with 187 to the square mile, may stop limiting her population when she sees India supporting 474 to the square mile, and still multiplying population without catastrophe.

ANOTHER EVIDENCE of the pernicious kind of paternal legislation growing out of the present socialistic tendencies of thought has made its appearance in Minnesota. The Legislature in that State having a strong Farmers' Alliance flavor has under consideration a bill to regulate the management of newspapers. This measure makes it a misdemeanor to be punished by fine or imprisonment to print in any magazine, pamphlet, or other periodical, any article, editorial or item of news which is not signed

by the name of the writer. The next step that may naturally be expected in this line of paternalism would, of course, be that the State should appoint a censor, as in Russia, to decide what shall or shall not be published. Democratic papers could then be easily suppressed in Republican States and Republican papers in Democratic States, and just as Farmers' Alliance or Socialists of any grade get into power all advocacy of individualism, or the right of private ownership of property, would be suppressed. What a delightful era of freedom that would be !

THE LABOR MOVEMENT on the Continent has evidently not yet thrown off the swaddling clothes of paternalism, as is clearly shown by the variegated platform adopted by the Workingmen's Congress recently held in Paris. Although they asked for the establishment of an eight-hour workday, they accompanied this with a series of other propositions that clearly indicate the un-economic character of the movement. Among other things they demanded a law to fix the minimum rate of wages ; that every laborer declared by this organization to be unable to work, shall receive support from the public treasury ; that municipal public butcheries, bake-houses and bazaars be established. So long as workingmen look towards being fed and clothed by the State as a means of improving their condition there can be little hope for their advancement towards individual and social freedom. Every such measure leads towards the social thralldom, away from which society has moved just as fast as civilization and social freedom advances. Laborers do not want more social soup kitchens, but more personal pantries. What the labor movement of the Continent is evidently most in need of is rational leadership which shall direct it along the lines of evolution, instead of trying to force it into the throes of revolution.

IF THERE IS one class that is more in need of economic education than another it is the political editor of the average daily paper. Here is a specimen of economic wisdom furnished

by the Galveston (Texas) *Daily News*: "The surest solution for the whole trouble is the farm. With fifty acres of good land, a couple of mules and a few tools any ordinary family of a half dozen people can make a good living." This writer appears not to have heard of the steam plow, reaper, harvester and other modern farm machinery. It would be just about as rational to say that the solution of the labor trouble in manufacturing industries is to get a hand-loom and spinning wheel, or a cobbler's bench. The truth is that the large farm and the large factory have made it as impossible to get a living with fifty acres and a couple of mules as by weaving cotton cloth by hand. The fifty-acre and a couple-of-mules idea is an idea of imbecility which, thanks to machinery, is rapidly becoming incapable of yielding even an ordinary living. Unless the farmers recognize the fact that in the future agricultural prosperity can only be attained by the use of large farms and modern machinery, they will gradually find themselves in the same condition that the hand loom weavers were eighty years ago, incapable of earning a living, not from any lack of opportunity to do so, but because, Mrs. Partington like, they vainly insisted upon forcing back the tide of progress instead of adjusting themselves to it, and for which mistaken attitude such instructors as the Galveston *Daily News* is responsible.

THE EFFECT of persistent organized effort among workingmen upon public policy is showing itself in England just now in a marked degree. In a very similar way that the laborers obtained the support of Tories for a ten-hour law in 1847, they are likely to get their support for an eight-hour law in the coming election. Laborers' votes are now indispensable to party success. Liberals having made the Irish question a war-cry the Tories are forced to make a bid in some other direction, and have decided that labor legislation is the most attractive bait for labor voters. Hence a very advanced program including a royal commission,

with some workingmen on it, to investigate the condition of labor, an eight-hour workday for coal miners and probably for many other industries, are clearly upon the boards; and for agricultural laborers, Jesse Collings' panacea of "three acres and a cow" is again suggested. Conscious that English laborers will not desert Eight Hours for Home Rule, Mr. Gladstone and his followers have decided to bid in the same direction as Saulisbury and Churchill. Accordingly, in addition to certain political reforms in the registration of voters and apportionment of seats, the Gladstonians have struck out for free public schools, amendments to the various labor laws desired by trades unions and a reduction of the hours of labor in all trades that will admit of it.

Mr. Gladstone definitely promises a further amendment of factory laws effecting children and also as an offset to the "three acres and a cow," promises measures to assist rural laborers to acquire small patches of land. All this clearly shows that if workingmen will persist in disseminating economic ideas among their own class and confine their efforts to demanding possible industrial measures they are sure to succeed, since both political parties will vie with each other in order to secure workingmen's votes. All that is necessary is that laborers definitely and intelligently present their demands.

The Article on "The Economics of American Shipping" by Commissioner Bates in our last issue has attracted considerable attention in the press. The main point in the Commissioner's argument, namely that an adverse balance of trade may arise from employing foreign instead of native ships, has been generally recognized. The magazine *To-Day* is the only critic who appears unable to comprehend this point. It says:—"If private capital can successfully compete in such an enterprise, how can a nation hope to do so without ultimate loss." Just as if shipping was ever left to private enterprise in any country. Why should private-shipping enterprise in America be expected to "successfully compete" with subsidized shipping in all other countries?

The point under consideration, however, is not, whether or no shipping can be profitably conducted by private capital, but whether to have American ships is worth to the nation what it would cost, which is the true economic test of all expenditures, public and private.

The point on which Captain Bates seems open to criticism is his assumption that it is of greater importance for a nation to own ships than to own factories. If we are to choose between factories and shipping, factories are more important, because they are more socializing than other industries, they create a home market and a diversification of industries, whereas shipping is among the least socializing of activities. If it is a question of whether we shall pay English sailors and ship-owners to carry our wares, or pay English manufacturers to make our clothes, it is better for us to pay their sailors and manufacture our clothes, especially if we can make cloth cheaper than ships. But there is no need of this comparison since we can easily make both.

The *New York Times* and *Evening Post* appear to be very much worried just now for fear American tin-plate shall become an economic possibility. When the tariff law was passed they set the community by the ears with their frizened statements about the increased price of necessities of life and the consequent impoverishment of the laborers. They followed this by a series of announcements (kept up for several weeks), that wages were being reduced all along the line. And now they are telling us that the consumption of tin-plate is increasing immensely since the passage of the McKinley Tariff. In order to make these stories hang together, it is necessary to explain how a fall in wages and a rise in the price of the necessities of life (a reduction of the purchasing power of the community) increases the demand for tin-ware. Won't the *Post* please explain how this economic miracle is wrought?

What the Critics are saying of the Social Economist.

A new knight has entered the arena of current political and social discussion. And from the strength, brightness and keenness of his spear and the way he makes his first threatening flourish, we should judge that he will have no trouble in holding his own.

THE SOCIAL ECONOMIST published by the Institute of Social Economics, New York, and which commences its career with the March issue, gives promise of bright future. It advocates no wildcat social schemes, but is devoted to a careful study of existing conditions and the careful investigation of proposed remedies. One of the principal points of merit is the exceeding briefness of the articles together with the brief, concise and condensed style in which they are written.—*Chicago Daily Globe*.

This is the second number of a new magazine in which the best social leaders in this country are to have a part. It looks as if they intended to lead the socialistic movement along the path of wisdom and rectitude, and we commend the periodical to all those who desire to follow social economics intelligently in this country We suppose that the unsigned articles are the work of the editors, and we are glad to find in them the evidence that this magazine is likely to give wise direction to our social movements. We advise every one who is interested in social economics to invest \$2 in a year's subscription to this magazine. It will put him in touch with the entire movement.—*The Boston Herald*.

A new publication devoted exclusively to economic problems and the social advancement and welfare of the American people appears under the title of THE SOCIAL ECONOMIST, published by the New York Institute of Social Economics. . . . The influence of such a publication as "THE SOCIAL ECONOMIST may, and undoubtedly will, wield a powerful influence for good, and we should be glad to see it in the hands of every intelligent laborer in the country.—*Railway Conductor*.

THE SOCIAL ECONOMIST for May reviews in its opening article, Mathew Arnold's volume, "Culture and Anarchy," in

which the famous English scholar undertakes to show the disastrous effect of modern progress upon modern society, declaring that machinery and wealth "have materialized the upper classes, vulgarized the middle classes and brutalized the lower classes." The writer in *THE SOCIAL ECONOMIST* uncovers the fallacy of Arnold's "cultured" argument. "Economics of American Shipping" by Capt. Wm. Bates, United States Commissioner of Navigation, is a specially valuable contribution as showing how American ships on the sea will help to turn the balance of trade in our favor and pointing out one factor too often overlooked by political economists.—*Burlington Hawkeye*.

There are some very suggestive articles in the May number of Mr. George Gunton's magazine, *THE SOCIAL ECONOMIST*, and not the least important and interesting of them in that of Capt. W. W. Bates, the U. S. Commissioner of Navigation, on the "Economics of American Shipping."

The reasons for the upbuilding of our merchant marine have been presented from time to time with no little fullness in the columns of *The Mail and Express*, but the statements of Capt. Bates are put in a new way that makes them noteworthy.—*Evening Mail and Express*.

In an interesting article in the current number of *THE SOCIAL ECONOMIST* on the economics of American shipping, Capt. William W. Bates, United States Commissioner of Navigation, complains that, owing to the fact that economic science is generally studied by Americans from an English point of view and from English data of fifty to one hundred years ago, the utility of shipping and the relations of navigation to the public good are very imperfectly understood. . . . He believes with Mr. Jefferson, in the farm, the factory, the store, and the ship as the "four pillars of our prosperity" of which the last is by no means the least important.—*Washington Post*.

This new candidate for public favor is edited by George Gunton and Starr Hoyt Nichols—names that are an assurance of high standard work. Mr. Gunton's works have challenged the attention of the most thoughtful and advanced readers, and will be a favorable introduction for the new monthly.—*Rocky Mountain News*. (Denver, Col).

Echoes From the Press on Gunton's "Principles of Social Economics."

One of the ablest and most original defenses of the existing industrial order offered recently, is presented by George Gunton in a book on "Principles of Social Economics." Gunton at least gives us a simple and consistent body of economic doctrine, however sound or unsound it may be. As in the eight-hour book (Wealth and Progress), he makes the condition of the wage-earning classes the determining force in all social and economic movements By the growing number of those interested in the reshaping processes now going on in the field of economic study, his book will not be overlooked.—*Springfield Daily Republican*.

Mr. Gunton is an earnest opponent of the George theories and of all socialistic theories, but believes that the whole solution of the economic problem lies in the advancement of the working people His style is clear and forcible, and his arguments are supported by an abundance of illustration.—*Rochester Post*.

His arguments are convincing, and he draws from a large resource of facts to prove the statements he makes.—*Kansas City Times*.

There is nothing dismal about this book. It will be read with great interest and profit.—*Portland Transcript*.

Mr. Gunton sees no danger to labor in combinations of capital, nor to capital in combinations of labor The course of reasoning through which he reaches these conclusions is interesting and ingenious, and will be convincing to many. The author is no dreamer of dreams. He trusts in no patent remedies for the evils under which society is laboring. . . . He would not speed progress after the fashion of Mr. Bellamy and the Socialists Systematic organization, more productive energies, wiser laws, clearer principles, nature better understood and made more obedient are his agencies for ameliorating the lot of humanity.—*San Francisco Bulletin*.

Mr. Gunton's two books ("Wealth and Progress") and ("Principles of Social Economics") ought to be thoroughly studied by all who would grow into the true economic philosophy.—*Living Issues*.

The student of political economy and human progress will find in this work much food for thought and an intelligent and exhaustive examination of the leading theories and questions of the day appertaining to social economics The questions are discussed in a very able and thorough manner.—*Washington Critic*.

Mr. Gunton is a hard student of economic questions and a writer of very great ability. His "Wealth and Progress" created a strong impression, and the present volume has even a greater value and importance. It is a book that should be studied carefully and thoroughly.—*Baltimore American*.

This is a clever contribution to a subject of universal interest. He writes temperately and clearly and usually carries conviction. In his hands political economy is no longer "a dismal science" but an inspirer of hope and progress The book is eminently readable, and its wide circulation would be useful, especially to those who make the laws for their fellows.—*Observer, N. Y.*

This work deserves the careful attention of political economists and students of history, not merely on account of its being a new book on these ever-interesting subjects, but because of the new and original matter and thought which it contains Mr. Gunton is not a socialist; nor does he write in such a self-satisfied tone as do most other writers with new theories.—*The Epoch*.

A very remarkable contribution to current economic literature is "Principles of Social Economics," by George Gunton He defends the protective policy, but on grounds entirely different from those upon which it is generally upheld, and antagonizes free trade, but also, for the most part, with new weapons. A careful reading of this book impresses us that it is the work of a bold and original thinker as it is certainly that of a clever and forcible writer.—*Indianapolis Sentinel*.

Mr. Gunton, who is President of the Institute of Social Economics, in New York, has evidently made a thorough study of this (the social) question Of the work as a whole it may be said briefly that its author has invested the "dismal science" with interest, by bringing it home to every reader who keeps himself fairly informed of current events His method is therefore constructive and optimistic rather than critical and pessimistic.—*Illustrated Buffalo Express*.

This latest treatise on economics breathes a genuine American spirit and reveals a genuine sympathy with our industrial and political system. The author has succeeded in recovering economics from the category of a "dismal science" to a science permeated with hope for human welfare.—*Boston Advertiser*.

Mr. Gunton's "Principles of Social Economics" takes the 19th century point of view, which finds that the economic laws of the future depend upon the needs of the masses The point of view is maintained worthily of the author of "Wealth and Progress" and contributes some important original conceptions of the character and service of political science.—*Boston Globe*.

Mr. Gunton's discussion is full of interest, and as has been said, deserves the careful attention of all students of social economics.—*Hartford Post*.

Mr. Gunton discusses the subjects of wages, money, interest, rent, distribution of wealth, international trade, relations of the State to the individual and kindred subjects in a clear and forcible manner. He has evidently given much study to these important questions and his arguments enforce respect if not always conviction.—*Times Star, Cincinnati*.

Mr. George Gunton, in his work on "The Principles of Social Economics" has struck a fuller, clearer and louder note than that which issued with such cheering tone from the pages of his "Wealth and Progress" It does for human society what Darwin did for natural science The charm of the book in its rapid style, its pungent force, its absolute lucidity, its perfect coherence, its easy sequence of proposition and proof is unique and unparalleled in economic literature.—*Home Maker*.

THE
SOCIAL ECONOMIST,
JULY, 1891.

Protection and Paternalism.

Although few subjects have been more widely discussed than protection, it is doubtful if any are less clearly understood. It almost seems as if the discussion tended to confuse rather than to clarify public opinion upon the subject. Protection is treated by both its friends and foes as if it had no relation to anything but tariffs on foreign products. The idea of considering it as an economic principle, capable of scientific application to the various phases of social life, appears not to have occurred to either party to the controversy. Consequently we find the subject pulled and hauled as it were, without regard to any general principle, and advocated or denounced according to the particular interests of the parties immediately concerned.

On the one hand, the advocates of protection demand a tariff on foreign products, avowedly for the benefit of laborers, especially those engaged in the particular industries under consideration, and then in almost the same breath, array themselves against the demands of workingmen for higher wages or other measures to promote the same end. Thus we have the spectacle of so enlightened a journal as the *New York Sun* bewailing the tendency to paternalism, because the Legislature of this State has adopted a law limiting the conditions under which women and

children can be employed in factories: a law which, with the amendments of 1890, affords the same protection to workmen with that secured to similar operatives in England over forty years ago, and those of Massachusetts a dozen years ago. This law the *Sun* tells us "directs that nobody under 18 years of age, and no woman under 21, employed in any manufacturing establishment shall work therein more than sixty hours in a week, or more than ten hours in any one day, "unless for the purpose of making a shorter work day" on Saturday. Neither can they work between 9 o'clock in the evening and 6 o'clock in the morning. No child under fourteen can be employed at all in such an establishment, and none under 16, unless the employer shall keep on file for inspection an affidavit from the parent or guardian swearing to the age and the date and place of birth of the child. Children under 16 "who cannot read and write simple sentences in the English language" must not be employed, except during the period of public school vacation. The factory inspectors are empowered to exact a certificate of physical fitness from some regular physician in the case of children who "seem unable to perform the labor," and in default of it, to forbid the employment of the child.

The powers conferred by the act on the inspectors are large and various. They are authorized in their discretion to compel owners or lessees of manufacturing establishments to enclose and secure hoisting shafts and well holes "properly and substantially;" to cover the steps of stairs with rubber "securely fastened thereon," and to provide separate dressing rooms for women and girls, and belt-shifters or other "safe mechanical contrivances" for throwing on or off, belts or pulleys. Owners or lessees are required to provide trap or automatic doors for elevators, hand rails for stairways, doors opening outward and kept unlocked and unbolted, stationary stairs or ladders from the top story to the roof as a means of escape in case of fire, exhaust fans for carrying off dust from dust-creating machinery, and "suitable and proper" wash rooms and other necessary conveniences. They are also required to allow not less than forty-five minutes for the noonday meal of their employes, except by permit from the inspectors in special cases. They must report in writing, within forty-eight hours, and with full details, all accidents or injury done to anybody in their factories, and the inspectors are empowered to in-

investigate the cases, and to "require such precautions to be taken as will, in their judgment prevent the occurrence of similar accidents thereafter."

All this, according to the *Sun*, is paternal and despotic. To prevent manufacturers from being undersold by foreigners is protection, but to prevent operatives, even helpless children, from losing their limbs or lives in their daily occupations is paternalism. If our shining contemporary could distinguish the economic difference between giving alms and giving opportunity, it would see that the legislation it is here denouncing, so far from being paternal, is highly protective. To guard "hoisting shafts, well-holes and dangerous machinery" is simply to protect the physical safety of laborers, and is nothing more than a mere policeman function. To insist that women and girls shall have dressing rooms which separate them from men, is simply affording protection to the decencies of social life. And to insist that children under 14 years of age shall not be kept at work unless they attend school sufficiently to be able to "read and write simple sentences in the English language," is only protecting our Republic from the dangers of ignorant citizens, a plague more to be feared than a pestilence. Indeed, the common school may be regarded as the most thoroughly protective institution in America.

What the *Sun* advocates in theory, capitalists have adopted in practice with striking unanimity. There are few things that laborers have more occasion to remember than the opposition presented by employers to all industrial or social protection for laborers. That workingmen should lose faith in protection so one-sided ought to surprise no one. It would indeed be a marvel were it otherwise.

So, too, with regard to the effect of protection upon prices; consumers are assured that "a tariff is not a tax" and that prices are not increased by a duty. And in almost the same breath, farmers and manufacturers are reminded of the high prices they are enabled to obtain for their products by virtue of a tariff. And

then, as if they had never denied that "a tariff is a tax," they ask to be credited with removing an immense burden from the shoulders of the masses by taking the tariff off sugar. And still they seem surprised that farmers and consumers fail to appreciate the conclusiveness of their reasoning.

Then we have the "let-alone" school, who deny the wisdom of protection under any circumstances. To them all forms of government action are paternalism. They not only oppose tariffs and subsidies, but also antagonize all kinds of industrial legislation. Legal restrictions of working time, or laws to secure physical safety and moral decency in factories and workshops, the right of laborers to organize for their own improvement—are all resisted by them as tending to destroy individual freedom, yet we find them constantly demanding restrictive legislation, which suits themselves, in direct contradiction to this opposition.

It is notorious that those journals most vigorously opposed to tariffs, factory and other protective legislation as paternalism, are conspicuous advocates of inquisitorial laws in other directions. The demand of the Free-Trade press for restrictive legislation against capital practically amounts to a craze. So persistently have they pursued this course that in order to escape the charge of favoring monopolies, both great political parties deemed it necessary to declare themselves officially against trusts. At the opening of the United States Senate last year, we were presented with a spectacle of three Senators struggling for priority to introduce a bill imposing restrictions and inflicting penalties upon all who should participate in the management of those enterprises. One bill proposed a tax of 40% on all products of trusts; another made it a penal offense, punishable by fine and imprisonment, to be connected with trusts; and finally John Sherman, once a Cabinet Minister and many times a candidate for President, with a boasted fifty years' experience in public life, which ought to mean statesmanship, carried off the palm, and the Sherman Anti-Trust Bill became law. And now, because this uneconomic statute has not

put its hand upon the throat of every large industry, and imprisoned the most capable industrial organizers in the country, Free-Trade advocates and professional "let-alone" doctrinaires are complaining that "the Sherman Law is a dead letter."

The New York *Times* in a recent issue, banters the Cleveland *Leader*, New York *Tribune*, and other papers endeavoring to claim honors for the "Sherman-Anti-Trust Law." It calls for cases of conviction under it, and complains that although it has been calling for months, none have been given. In other words, because the greater industries of the country have not been stopped, and their projectors put in jail, the *Times* is disappointed and complains that the law is a dead letter.

Our railroad industries are assailed in a similar manner; every movement to further consolidate and economize our railroad system, making more efficient and cheaper travel and transportation possible, is violently attacked as a conspiracy against public welfare, and legislation to prevent it is demanded.

The effect of this upon the public mind is seen in a multitude of measures annually brought before various Legislative Assemblies throughout the country for restricting capital, regulating prices, and otherwise preventing economic freedom. With the example of Congress and State Legislatures, enacting laws against large corporations, supported by a constant stream of newspaper abuse of successful manufacturers and business men, it is not surprising that the demand for a socialistic revolution should increase in public favor. Indeed the Farmers' Alliance with its "sub-treasury plan," free silver coinage, abolition of National Banks, State ownership of railroads, and other wild schemes, is a natural consequence of this hostile attitude toward the advance of industrial enterprise.

This opposition to the economic development of capital on the one hand, and to the social advance of laborers on the other, is largely due to a failure to distinguish between protection and paternalism upon any definable economic principle. The phrase

"paternalism" seems to be used by both protectionists and free-traders very much as August Comte used the term "metaphysics," to designate the objectionable. When Protectionists want a tariff, they call it protection to American laborers, but when their laborers want less hours, restriction of child labor, better sanitary conditions, etc., they call that paternalism. And when Free-Traders want a National Bankruptcy law, or a Government-Ballot law, or an Inter-State Commerce law to regulate freight charges, an Anti-Trust law, or other inquisitorial legislation restricting the concentration of capital or the organized efforts of labor, they call it protection to vested interests. But laws to secure the advantages of our home-market to our own producers—is declared to be paternalism, as is also all legislation to secure greater industrial and social opportunities for workingmen.

Now the characteristic feature of protection is that it secures opportunities for developing the best possibilities of the protected, tending ultimately to make protection unnecessary. Whereas the characteristic feature of paternalism is that it RESTRICTS opportunities for developing the best possibilities of the protected, and thus tends to make paternalism permanently necessary.

Although the State is the representative authority of society, it is always the servant of the individual. In fact, his protection and development are the only justification for its existence. The authority of the State therefore should always be so exercised as to increase the power and sovereignty of the individual over himself. That State then really renders the best service to civilization which most rapidly lessens the necessity for its own activity, by increasing the capacity of the individual to do without it. Now this is the essence of protection and the very opposite of paternalism. Protection therefore is not a narrow monopolistic scheme, but a broad social principle, susceptible of intelligible statement and scientific application.

A difficulty with anti-protectionists is that they know Protection only as a tariff on foreign products. But this is simply an ap-

plication of the protective principle to a particular question—to international trade. The social utility of a tariff like that of patents, immigration and naturalization laws, compulsory education and all other State-conditioned social and industrial measures, depends upon the extent to which it furnishes opportunity for developing the qualities of a superior civilization against the deteriorating influence of an inferior one.

In considering the advisability of adopting protective legislation of any kind, it is necessary to determine three things: (1.) What we want to protect. (2.) Why we want to protect it. (3.) How the protection can be accomplished. Thus for instance, in advocating a system of official ballot and secret voting, the *Evening Post* and other journals urged that, through poverty and its accompanying disadvantages, a large class of citizens were unable to freely exercise their right of suffrage, and therefore, in order to secure pure elections, it was necessary to protect the citizen's opportunity to vote freely by furnishing official ballots and making secret voting obligatory. Notwithstanding that, the *Sun* and other so-called Jeffersonian journals denounce such a law as paternalism, though experience, both in this and other countries, has shown that it is a successful means of securing a desired end. In other words it tends to increase the citizen's opportunity to express his political opinion at elections, and to develop his individuality and freedom of opinion on public affairs.

So too with factory legislation; restricting the hours of labor (especially for children), guarding hatchways and dangerous machinery, ventilation of factories, etc., have been demanded to protect laborers against over-work, physical injury, and to increase their opportunity for social improvement by adding to their leisure, thus furnishing to laborers social and moral as well as physical protection. Despite the cry of paternalism raised by "let-alone" doctrinaires of the *Evening Post* type and by tariff advocates of the *Tribune* and *Sun* type, forty years' experience has shown that this kind of legislation has improved the social

character, increased the intelligence, individuality, social power and usefulness of workingmen, and thereby has been highly protective, and not paternal in its influence. Now all this applies with equal force when considering international trade. The prevalent habit of trying to cry down tariff policy by calling it paternalism is a begging of the real issue.

The first question to decide in considering a tariff policy is—what do we want to protect? If the average manufacturer were entirely frank, he would probably say that his object in asking for a tariff is to protect his profits, because he regards profits as the center and source of industrial prosperity; and in this he is backed by nearly a century's teaching of political economy. But the statesman, if he considers economics from the new point of view, would say it is civilization—not civilization as measured by manufacturers' profits, but civilization as shown in the standard of *social life among the masses*, which is indicated by their *real wages*. Capital, being really a productive instrument, is of no special importance to the community, except as it does its work well, the test of which is its ability to make nature work cheaper than labor may be better paid; and profits benefit society only when they are obtained that way. For since the social welfare of a nation is primarily identified with the real wages or daily income of its common people—the great mass of its citizens—rather than the profits of its few capitalists, it follows that in order to protect civilization we must protect *wages*. Now if wages were regulated by supply and demand, the way to protect wages in this country would be to prohibit immigration, as that would limit the supply of laborers, but since wages are governed by the laborer's social standard of living, it is to the influences affecting this that we must look for the protection of wages. Now the forces most potent in affecting the social standard of living are frequent social contact, variety of tastes, new ideas and constant rivalry—forces which cities and industrial centers only can furnish, and these are developed by manufacturing and commercial industries. In other

words, manufacture, commerce and cities are the pillars of civilization; and in order to protect wages then, we must protect manufacturing industries.

Upon the principle that whatever undersells succeeds and establishes the methods of its own success, if foreign producers can undersell Americans in this country, the means by which that is accomplished will necessarily be established. Of course lower prices through smaller cost of production is the only means by which underselling can permanently take place. This can be accomplished only in one of two ways—either by using superior methods which substitute natural forces for human labor (i. e. more extensive and effective use of capital), or by employing lower-paid labor.

If the lower price is due to using superior methods, nobody will be injured, but everybody benefited. In that case wealth would be cheapened without lowering wages, and the purchasing power of a day's work increased. More wealth would be produced without increasing the labor to get it, by making natural forces do the additional work for nothing. Whoever undersells by reason of using superior methods will force those methods into use, since those who do not employ them will be driven from the field, as they should be. We therefore have nothing to fear from competition with cheap products when their low price is the result of superior methods, because we can adopt those methods with universal advantage, and if our capitalists refuse to do that, they have ceased to be social benefactors, and the sooner they are superseded by those who will, the better for society.

On the other hand, if the lower price is the result of cheaper labor, the whole effect is different. In that case the means of success being a lower wage-level, it will be adopted, since only those who can adopt that means, can continue to do business. Thus in the same way that underselling by superior methods tends to establish a higher civilization, underselling by means of lower wages necessarily tends to establish a lower social life and

civilization. Manifestly then it is against the introduction of a lower wage-level, that is to say, against being undersold by products whose lower price is the result of lower wages, that we need protection.

In order therefore to insure that a tariff shall be protective without being paternal—that it shall protect a higher wage-level and civilization without fostering incompetent capitalists, and thus place economic competition on a plane that will secure “the survival of (the best and therefore) the fittest,” the higher wage-level of any competing country must be made the object and datum line of protection. By this means we should place a tariff policy upon a true economic basis, where it would afford protection only to what is worth protecting, namely, a higher standard of living and superior civilization.

This not only gives us a scientific basis for a tariff, but it also furnishes a standard for determining how much tariff is necessary to protect what is really worth protecting and, no more. Since all the social superiority is represented in a higher wage-level, it is only necessary to impose a tariff equivalent to the difference in wages. This would make competition rest upon the *economic efficiency* of competitors—the test of economic efficiency being the ability to furnish cheap wealth without employing cheap labor. Success would then depend entirely upon superior management and the use of better methods, as it always should, since under such conditions foreign products could never undersell home products except when the lower price was entirely due to superior labor-saving methods. It will be seen that such a tariff would effectually protect the higher wages, but would afford no protection whatever to incompetent capitalists or their inferior methods.

With such a basis for applying protection, the economic absurdity of imposing tariffs to protect lower-wage countries against competition with higher-wage countries would be manifest. To protect Asiatic markets against European products, or Russian, German and French markets against English products,

or English, South American and Canadian markets against American products would then appear as irrational economically as it would be unphilosophical morally to protect the ignorant, and vulgar against the social influences of the intelligent, and refined. This view places a tariff policy under the same general principle which protection applies to other phases of social life. In short, it uses a tariff as a weapon of precision by which superior nations may protect their civilization against the deteriorating influence of inferior civilizations without descending to a lower plane themselves.

The Ethical Influence of Inventions.

II.

According to Mr. Herbert Spencer, ethics comprehends the laws of right living; and beyond the conduct commonly approved or reprobated as right or wrong, it includes all conduct which furthers or hinders, in direct or in indirect ways, the welfare of self or others; while justice, which formulates the range of conduct, and limitations to conduct hence arising, is at once the most important division of ethics; and it has to define equitable relations among individuals who limit one another's spheres of action by co-existing, and who achieve their ends by co-operation; and beyond justice between man and man, justice between each man and the aggregate of men has to be dealt with by it.

This constitutes a very broad definition of ethics, and the propositions laid down by Mr. Spencer, taken by themselves, are such as no moral philosopher can for a moment reject, nor should they be rejected by economists, for a moment's reflection upon their bearing shows conclusively that material prosperity is best subserved by their incorporation as chapters in the laws of trade, commerce, and production. So the relation of the wage receiver to his fellow man and to society becomes ethical, purely so; but it is certainly ethico-economical, and his wages, the standard of his living, his working time, the cost of his living, his education, his interest in religious and literary matters, in art, and in all that adorns life, are features surrounding him, which must be contemplated from the ethical point of view. This thought is all the more emphatic when it is considered that invention has brought with it a new school of ethics. It is the type and representative of the civilization of this period, because it embodies, so far as physics and economics are concerned, the concentrated, clearly wrought-out thought of the age. Books may represent thought; machinery or invention is the embodiment of thought.

From an intellectual point of view then, it becomes perfectly legitimate to speak of the ethical influence of inventions, and no consideration of the relation of inventions to labor would be complete without showing in a more deeply philosophical sense their ethical influence upon the individual laborer.

We are living at the beginning of the age of mind, as illustrated by the results of inventive genius. It is the age of intellect, of brain, for brain is king, and machinery is the king's prime minister. Wealth of mind and wealth of purse may struggle for the mastery, but the former usually wins, and gives the crown to the Huxleys, Darwins, Tyndalls, Proctors, Woolseys and Drapers, rather than to the men who accumulate great fortunes. It is natural and logical that under such a sovereignty inventions should not only typify the progress of the race, but that they should also have a clearly marked influence upon the morals of peoples, a mixed influence, to be sure, as men are what we call good or evil, but on the whole with the good vastly predominant.

The philosopher of the pessimistic school usually finds in the economic influence of inventions a great displacement of labor or back work, and he calls the attention of the thinkers of the present day to the supposed glories of the past. He calls up for consideration what he designates the peaceful and happy days of labor under the domestic system; he sees in the growing importance of inventions what he is pleased to call the destruction of the individuality of men and their retrogression to mere puppets, without the intelligence of the machinery he deplures; he sees in the division of labor what is to him a sure corollary of invention, the degradation of labor, the dwarfing and narrowing of the mind, and the complete subjugation of all manly qualities; he fails to comprehend work as anything more than mere manual labor, the expenditure of muscle, and never realizes that work means employment—occupation—the means by which all sane people secure happiness for themselves and for those whom they

love, and that whatever is done in the name of service to mankind is work, and that the work which calls out the highest faculties of the worker, whether of endeavor or aspiration, is for him the highest employment. He also fails to comprehend, or at least, he overlooks the fact, that under the domestic system of labor displaced by invention the most demoralizing conditions prevailed. He finds something exceedingly poetic in the idea of the weaver of old England, before the spinning machinery was invented, working at his loom in his cottage, with his family about him, some carding, others spinning the wool or the cotton for the weaver, and so falls into the idyllic sentiment that the domestic system surpassed the present. This idyllic sentiment has done much to create false impressions as to the results or influence of inventions. Goldsmith's "Auburn" and Crabbe's "Village" do not reflect the truest picture of their country's home life under the domestic system of labor, for the domestic laborer's home, instead of being the poetic one, was very far from the character poetry has given it. Huddled together in his hut, not a cottage, the weaver's family lived and worked, without comfort, conveniences, good air, good food, and without much intelligence. Drunkenness and theft made each home the scene of crime and want and disorder. Superstition ruled and envy swayed the workers. If the members of a family endowed with more virtue and intelligence than the common herd, tried to so conduct themselves as to secure at least self-respect, they were either abused or ostracized by their neighbors. The ignorance under the old system added to the squalor of the homes under it, and what all these elements failed to produce in making the hut an actual den, was faithfully performed, in too many instances, by the swine of the family. The reports of the Poor-Law Commissioners of England are truer exponents of conditions than poetry, and show more faithfully the demoralizing agency of pauperism and of all the other evils which were so prolific under the hand-system of work.

The influence of invention at this particular time in the history of mankind is usually overlooked by the philosopher with a pessimistic turn of mind, and he also overlooks the fact that if there is any one thing in individuals, that this age insists upon more than any preceding one, it is work—employment of some kind. Once it was enough to be good; now one must prove himself valuable or he becomes, if not an actual, a social and a moral tramp. St. Paul said, "To him that worketh, reward is reckoned not of grace, but of debt." Yet when a man is employed to the extent of the support of himself and his own, the reward must be reckoned of grace; and he is capable of a better and a purer religion, for a poverty-stricken people cannot well be a religious people. Ethics and pure religion most assuredly have much to do with everything that affects the conduct of life; they constitute the art of living well, not merely of dying well, and they are the science of being and of doing. The aim of the modern Christ would be to raise the whole platform of society, says an ethical writer* of our day. The modern Christ would not try to make the poor contented with a lot in which they cannot be much better than savages or brutes, and he would not content himself with denouncing sin as merely spiritual evil. On the other hand, he would go into the economic causes of sin and destroy the flower by cutting at the very roots, which are poverty and ignorance; and the lowest, the most harmful and the most expensive ignorance of to-day is ignorance of work—the want of some technical knowledge which enables a man to earn his own living outside of penal institutions. Poverty and pure religion cannot exist among the same people, for such a religion cannot prevail unless the people are engaged in that class of employment which tends to broaden all their faculties, to awaken not only their sense of duty to their kind, but also to develop their love of beauty, of art, and of all that adorns and ennobles life; and such employment cannot be maintained without the vitalizing use of inventions as the enduring, working and perfect embodiment of

*Dr. C. C. Everett.

human ingenuity. We are hardly aware of the silent working influence of machinery upon the morals of the world ; it is recognized in this thought I have outlined, that poverty and religion are not now, as once, twin virtues. Christianity only prevails in industrious communities. The people of America, with all their faults and foibles, are more religious in the truest sense than any other people ; and this I am sure is because, amongst a Democratic people, where there is no hereditary wealth, every man works to earn a living, or has worked, or is a son of parents who have worked, the notion of labor therefore being presented to the mind on every side as the necessary, natural and honest condition of human existence. A wealthy man even thinks he owes it to public opinion to devote his leisure to some kind of industrial or commercial pursuit, or to public business. He would think himself in bad repute if he employed his life solely in living. (a) This idea of life or of active living is stimulated by all the elements which make up the essential characteristics of our period.

Prof. Everett, of the Harvard Divinity School, in an admirable paper entitled "The New Ethics," gives an excellent illustration of this truth. "The time has been," he says, "when poverty was felt to be, to some extent, a mark of sanctity. Your tramp would lack little of being regarded, if not as a saint, at least as a very good representative of one. Poverty was regarded as, in a double sense, a means of grace. The poor themselves were not far from the Kingdom of heaven ; at the same time they furnished one of the readiest means of salvation to their rich neighbors. It was the poor who carried the souls of the rich to heaven. This poverty was to be comforted and solaced. It was to be in some way ameliorated. The poor were at any event to be kept alive. But the idea of doing away with poverty would have been considered if not sacrilegious, at least hardly desirable. This life of poverty was, indeed the ideal life." This ideal life of poverty continued to be the leading thought so long as the domestic system of labor

(a). *Democracy in America*, by De Tocqueville.

prevailed. The age of machinery, of invention, of active mental competition, as set over against purely muscular competition, has changed this whole state of things, for now it is considered that poverty is not the blessing but the curse of society, and the whole social effort is not so much to ameliorate as to abolish it. Charity, instead of being regarded as the ideal virtue, is, at least under its old form, regarded as a weakness, if not as a vice. To help men, we must now help them to help themselves. We must give work—employment, mental or muscular occupation, and in it find not the cure-all, not the panacea for all of the evils that threaten society, but a great uplifting influence, which in time will become a panacea for some of the evils; but in order to have this great influence, induce the very best conditions for the reception and growth and home of a high state of morals, the prerequisite of religious advancement, the employment or work should be of the very highest grade. If the lowest grade of employment leads to self-respect, and the dignity and repose even, which come of self-support (a proposition which cannot be denied,) how ennobling must be that employment which not only stimulates the highest faculties, but also excites admiration for the perfect and love for the beautiful! A man cannot superintend the movements of a complicated piece of machinery and not feel this silent working influence, and, maybe, become the better for his experience. His mind intuitively takes on the harmony of action that finds itself running in tune to something which represents embodied thought. Any man witnessing the operations of the wonderful mechanism of the needle machine feels a continued influence from his observations. There is something peculiarly educational in the very presence of the working of mechanical powers. The witnessing of the automatic movements of a machine stimulates thought, and, coupled with necessity or desire, makes the beholder not only the inventor of other movements, but also brings him to such a respect for the inventions of the world as creates in him a

mental activity, which places him on a higher standard than that on which he lived prior to his invention. In the first steam engines a boy was constantly employed to open and shut alternately the communication between the boiler and the cylinder, according as the pistons either ascend or descend. One of these boys, who, like most boys, loved to play with his companions, observed that by tying a string from the handle of the valve which opened this communication to another part of the machine, the valve would open and shut without his assistance and leave him at liberty to divert himself with his fellows. Probably there was a displacement of labor, for one of the greatest improvements that has been made upon the steam engine since it was first invented was the discovery of the boy who wanted to save his own labor. And so it has been that a large part of the machines made use of in manufactures has been invented by workmen who, being employed in some simple operation, have turned their thoughts toward finding out easier and readier methods of performing it. (*b.*)

These things stimulate industry, and, as I have said, industry and poverty are not hand-maidens; and so as poverty is lessened, good morals thrive. If labor, employment of the mind, is an essential to good morals, then the highest kind of employment, that requiring the most application, the best intellectual effort, means the best religion and the best morals. If it were not so, then the continued employment at the crudest muscular labor would be the best for mankind. But the condition I have named, I take courage to assert, is superinduced eventually by the employment of so-called labor-saving machinery and the division of labor, and the reverse of this condition is superinduced by the continued and exhausting application of much muscle and the use of little intellect.

In the early history of political economy we find that progress was supposed to be the result of the division of labor; to-day it is very often the *bete noir* of a class of philosophers who do

not look beyond the apparent displacement of muscular labor by the use of improved machinery. These philosophers make out a most excellent *prima facie* case, as I have shown by the facts cited relative to the displacement or contraction of labor. The error lies in taking the *prima facie* case for the conclusive evidence, which is found in joining the facts pertaining to the expansion of labor. Now the optimist sees in the division of labor what may well be called the emancipation of labor, and instead of the dwarfing of minds, the undue stimulation of industrial enterprises and moral retrogression, he sees the fuller development, in every direction, of minds, of industries, of moral relations; and he sees in the clouds created by the modern philosophers the warm showers which will sprout the germs of the solution of some of the vexed questions of labor. Communism, which means the destruction of labor, cannot co-exist with machinery. It must be true that without machinery the world would retrograde to superstition and consequent irreligion, and that without machinery the ingenuity of man must assume its old place among the unused faculties of the mind.

These truths, or what to my mind are truths, are easily and conclusively illustrated by many every-day observations. In some of the Spanish localities of New Mexico the plow of to-day is the bent stick of the Egyptians; but as the railroad cuts through the land and through the ignorance of New Mexico, it straightens out the plows as it straightens out the streets of that country—by the sheer influence of parallel lines. When a railroad is run through a straggling town, with houses thrown together as a child leaves its toys upon the floor, the first thing is to set it to streets running parallel with and at right angles to the railroad. The whistle of the locomotive has shrieked out a vast amount of civilization during the past fifty or sixty years, for with its shriek, and as its cinders fall to the ground, the spelling-book and the New Testament have been lodged as fixtures in the new country.

All such illustrations are common place, indeed, but they are necessary in a discussion of the influence of inventions upon labor.

The division of labor has grown finer and finer as machinery has grown more and more essential to the production of goods. The consequence is that trades are hardly essential now, and the mechanic of a generation ago feels grieved because the artisan of to-day is not obliged to spend from three to seven years in learning a trade, and therein be robbed to a great extent of the results of his labor. The apprentice boy, if bright, could formerly learn his trade in less than the time required, but he could not become a journeyman until pronounced such by the time spent at learning a trade; and then, after he had become skilful his wages were exploited to the extent of his skill, and he was obliged to contribute more in the way of actual earnings than he received. But this was not the worst. Finding that he was robbed by the system, he finally undertook to earn no more than he was paid, and so acquired habits of unthrift which would follow him through life. This apprentice boy has disappeared from the industrial world, but the old-school workmen, instead of glorying in the fact that he has disappeared, and that the time has come, or is coming, when the years spent in learning a trade are considered as partially lost time, feel the absence of the apprentice as a menace. But the intelligent workmen, I am happy to know, has changed his views in this respect, and finds that through manual training and the results of the trade school, a boy can utilize his whole time, and as soon as accomplished or equipped in his trade, can command the wages legitimately his due; and the boy who has had the experience of good training schools has the advantage over the old apprentice, for he discovers that instead of one trade at which he can secure a living, he may seek remunerative employment through his handy skill in other trades, when the chosen one does not furnish sufficient employment. This enables the world to go on in the diversity of employment or development, or the versa-

tility of talent, which is the secret of that future distribution of labor so much to be desired before the full results of the readjustment of industrial forces from the domestic system to the age of machinery shall be complete.

With this diversity of employment will come still shorter hours of labor, and, consequently, increased opportunities for mental and moral improvement. This age has already brought greatly increased wages, a greatly reduced working time, and a largely reduced cost of the principal articles of consumption.

I cannot analyze in the space and time allotted me the deductions of statistics which emphatically prove these things, nor is it essential. Such statistics exist. Wages have been increased, and one illustration must suffice; and I will draw this illustration from the cotton industry of this country, the first to feel the effects of invention. The ratio of wages for 1828 and 1880, in producing common cotton cloth, was as 2.62 in the former year to 4.84 in the latter year, while in the cost of production the ratio was reversed, it being as 6.77 in 1828 to 3.31 in 1880. The hours of labor have been reduced from 12 or 13 per day in the same industry to $9\frac{1}{2}$ in England and 10 generally in this country. An examination of statistical tables will convince any one that for most divisions of labor in cotton factories, wages have very nearly doubled during the past sixty years, not only in Great Britain, but in this country also.

CARROLL D. WRIGHT.

Economics and Classics.

The field of the classics is a region of fairyland. There the gods and demi-gods disport themselves in their amours and their frolics, along with heroes and beauties scarcely less fabulous, under conditions which bear no relations whatever to modern life. "Our young barbarians" go to high school and afterwards go to college to play with these creatures of imagination and fancy, and spend a large part of their time in the "severe mental discipline" of conning an immoral mythological dictionary, and learning the quantities of ancient verse metres, in lovely ignorance of the real world, and without regard to the language of actual life. No wonder if in this wilderness of "discipline" the boys have gone into baseball, rowing, and football, were it only to lend a little "contemporaneous human interest" to a scene of death and childish fable.

Some men meanwhile actually learn to read some Greek and some Latin, though their names be few. And when to this discipline has been added the usually unintelligible jargon of numerical formulæ contained in unexplained conic sections and calculus, with a hasty dash at rhetoric, logic, psychology, political economy, and protestant history, the still callow youth, as full to the lips and plump as a stuffed doll, is sent forth into the living world to subdue and govern it. His face is amiable and thoughtless, his manners are excellent and his ambitions high. What does he do? Like a man who seeth his face in a glass he makes haste to forget all that he has learned, and to fill his brain with something that bears upon the world he is to live in. And when he finds his powers constrained and enfeebled, his mind ill-adapted to affairs, he does not at first realize that it is because the "discipline" of fairyland has unfitted him for the real world. He is Wordsworth's "pagan suckled in a creed outworn." Fairyland has put its spells upon him, and he will be both bold and

fortunate if he ever escapes the mental habits which they have woven into his faculties. If he be not quickly released he will wander all his life in a maze "of woven paces and waving hands," a magic circle of unreality like that which still enchants wise Merlin in the woods of Brocelinde. And he and his comrades as they see themselves not abreast of the foremost in the many races of life, will seek to stir their courage and cover their deficiency by wan congratulations on the good they are doing by their culture and virtue. Nor will they reflect, that through all the long ages of classic culture, the reign of Latin and Greek in Western Europe, the man of the schools always failed to discover how to lead the sodden and untrained masses of mankind, or the world itself into any movement of general prosperity and power. But they will turn themselves to the gentle ways of poet and scholar calmly saying with Mr. Arnold that "they are going the way the world is going," though every day's newspaper is but a flaunting proof of contrary tenor.

Now it is because they train the boy's mind to the ways and customs of fairyland that the classics do him so much injury. For a mind is interested in the things it is trained to, and averse to those which belong to another department of life. One brought up to cattle is interested in cattle, one brought up to gardening in plants, one brought up to sport in games, one brought up to poetry in poetry. Mr. Darwin confesses that his naturalistic studies alienated his mind from the liking for poetry which he had at Oxford. We are quite sure that any poet will tell you how he hates business, while Mr. Matthew Arnold has put it on paper how little he thinks of machinery. Mr. Ruskin joins the chorus of averted specialists, in saying how he detests cast iron because it is inartistic, and he is devoted to art, nor heeds for a moment that cast iron has done more for the general uplifting of the masses than all the "preciousness" of his beloved middle-ages, from Cimabue down. Men are thus usually saturated with the matter of their youthful training. And so it comes about

that men trained to fairyland and its romances come to hate the real world and despise its so-called grossness and coarseness. They not only remain ignorant of its contents and laws, but are averse to them and despise those who have to do with them, not actively perhaps; but as dealing with inferior material, as an artist in marble might despise an artist in terra-cotta.

And so deeply is this feeling seated in the minds of classically-bred men that we fancy any of them would prefer writing a book that would surpass Shakespeare, to discovering a new motor which would outdo the steam-engine, although the motor would benefit the whole human race unspeakably and forever, while the book would please only a limited number of idealists as long.

Almost incurable is the preference of fairyland to reality when once its principles are thoroughly inculcated. But indeed if one could live in fairyland there would be small objection to this. But no one can. And therefore however far our fairyland may carry its "mental discipline," so-called, and its equipment for mere letters, it is still a serious hurt to handicap our lads for the real business of life by an exclusive dominant taste for things which make against life, if we may so say. For it must be said that life requires all one's faculties at their best to lead it successfully, and all the interest in its affairs which one can muster. And no course of mere novel reading such as the classical course at bottom really is, can possibly fit a mind for finance or fact, or dealing with men, or conquering obstacles.

But how sweeping this injury is may be seen by a glance at the way in which the great world swallows up the annual grist of graduates and leaves them to be heard of no more. They cannot fill the positions which call for invention, novelty, freedom of mind and readiness to respond to external changes and circumstances. And as for leading the world in its great rush of progress, its march of invention, machinery, thought, social development, new institutions, new power over nature, one no more looks to classic men for this than he looks to a lumber dealer for

fruit trees and foliage. And how depressing, how heart-breaking is it to the ambitious and original lad who has spent his energies upon the knowledge of fairyland, and now finds himself in such helpless condition !

Now as one says, " the primary problem with a lad is to teach him to take care of himself and to cleave to that which is sincerely lucrative." Nature demands as much of him, whether he likes it or not. Education has to make this primary problem easier and more successful, and in so far as it fails to do that it fails of its chief end. In so far also as a scheme of education cuts loose from this primary call, it is in danger of lapsing into fairyland objects and measures, and training a class of citizens whose tone and temper of mind is alienated from the way of the world and the necessary trend of the times. They are ready to lose their way in affairs, and ready also to lead affairs into fairyland so far as they can. They are ready also to complain about the way things are going, falsely believing that they know better than nature how things should go, and how society should be developed. It is this falsity through false training which has made the whole tribe of literary people from the ancient Homer as seen in Nestor, and Hafiz, and Omar down through all ages, chronic grumblers and pessimists, railers at the existing evolution of the human movement, despairing of the future, "ravens croaking from the chimney pots" of idealism, because forsooth the world does not follow the narrow grooves of their luminous ignorance. But really it is they who are wrong and not great nature at all. The wail of the ages is not the wail of needful and radical human misery suffered by reason of a wretched constitution of things. It is rather the wail of human imagination cut loose from fact and reality, and made melancholy by the severance, in the false notion that the world is bad, because the process of it is severe and disciplinary. But meanwhile society forges ahead, heedless of complaint, developing in quite the contrary from literary lines and courses, developing along the coarse lines of material subsistence,

the lines of machinery and invention, the lines in short of economic law. And education will become sound, useful, cheering and helpful just so far as it leaves the fictitious and fruitless gardens of fairyland to their own dragons and demi-gods, and gets out into the real world of sane and productive laws and devices leading to plenty.

And educated men will themselves become helpful leading citizens just as soon as education is of such matters as bear upon the inevitable and natural drift of practical affairs, and is so stitched and knitted to practice that these shall be no visible rent, or even seam between them. The educated man will then be all the more capable in the things with which all men have to do, instead of being an altogether different sort of creature in another sphere and realm of conceptions. Life and thought will join hands to reinforce each other at every turn. The man of thought will no longer presume to set forth his vagrant theories without consulting the man of affairs, nor the man of affairs to push his crude notions till justified by the approval of the man of thought. And so each will take care of himself and the other far better than ever, and with more profit to each and all. Not that we mean by this that education should be devoted to things called practical altogether or exclusively. By no means. We only claim that it should never be divorced from the real world. We desire to have it released from the grasp of fairyland. It should have its roots in life. Its materials should not be poets and romance. As we do not care for young ladies whose ideas of the world are taken from novels, so we do not believe in young men whose minds are betrayed into the slipshod kind of cause and effect which belong to the myth, the epic, and all ancient history and philosophy.

And we thus advocate that education shall concern itself primarily with what is primary in life, and secondarily with what is secondary, instead of reversing the process. And as economics are primary they should come first. And as economics are everywhere important they should be pursued to the full—till finance,

society, industrial development, civil government, are generally mastered and become a common ground for all educated people, just as now the classics are, and in place of classics.

Of course, as we well know, this will seem revolting to classically trained minds. What, they may say—shall we leave the beauty of poetry, oratory, philosophy, all that gives grace and elevation to life, to go after the dry husks of finance and economics? Shall we forsake tastes and devote ourselves to toils? Shall we neglect the attractive and important matters of Greek text for mere every day business matters like any rude Philistine? But this revolt only shows the very result, whose presence we most deplore. We wish to prevent this very distaste and aversion to the real world in our educated men! As it is now, they either forget all about their education, or they dislike and mistake the whole course and conduct of life.

So they leave the field to the uneducated business man, who, as things are, is taking possession of the world. Laying his forcible and often unscrupulous hand upon the springs of power which modern evolution has placed at his disposal, he accumulates property in such masses, that men complain of his buying up the citizens, the senates, the governments of countries and directing society according to his own pleasure. Though he does much well, by virtue of his adherence to fact and his practiced capacity of seeing the world as it is, yet he also leaves much to be desired. He does indeed much better than the scholars of fairyland did when they had things all their own way, and gave themselves to founding monasteries, and hounding free minds like Bruno and Dolet at the classic universities, and so far marks a distinct advance, since now he founds polytechnic institutes and music schools and scientific chairs to a certain degree. But he discovers no exact and comprehensive solution of his own industrial questions; he cannot foresee the course of industrial evolution; being ignorant of its law and principle, he cannot devise a large and all-round beneficent policy which shall combine his own with others' interest in the best manner.

We say he cannot, we should say, he has not as yet. But he is feeling his way towards it under the guidance of those direct and trenchant instructors, fact and the daily papers, and will reach it, long before the classic colleges with their deep concern for the things of fairyland, or any of their alumni will take steps in that direction.

But how much swifter and surer would the practical men be, were there men among them educated in the laws and principles of the real world, who could generalize the confused facts and movements of our very complex society in its onward march, and thus reasonably resolve its procedure to the satisfaction and clarification of all concerned. As it is, we have only a confused noise and garments stained with dust in hard-fought fields of competition, mingled with countless disasters of trade and finance which keep the world wretched.

And as the great multitude cannot live apart from reality, what we propose is to make our educated classes their natural and capable leaders, by making them familiar with reality instead of fairyland, which would indeed be profitable to both parties. The multitude would be better led, and the educated would be better fed.

Now important and useful reality is two-fold—one is that knowledge of nature which is called science, and the other is that knowledge of the fundamental principles of human society which we call economics. And we would have education to lay the emphasis of its training, so far as may be, in science and economics. The first is already getting itself into vogue through various scientific departments in our universities whose graduates are fit for places in real life in the advancing columns of humanity.

The other, economics, has as yet no adequate recognition, and certainly no place corresponding to its actual value and fundamental character. And the reason of this is indeed not far to seek.

Its common name of Political Economy is misleading as to the

real range and scope of the study, since, as such, it seems to be merely a generalized account of national business, of no special import to anyone, and having no guiding principles applicable to the conduct of life, either as individual, social or civil. And this indeed is true if we speak of political economy as taught in our universities at present. It is a quite unrelated science, and seems to bear only on the narrow question of whether free-trade or protection is the best national policy.

And we have therefore in mind quite another matter. It is a social economic which takes its origin in the history of human industrial development. It explains that, co-ordinates and compares that, and advances to a system of domestic, social and civil economics, whose principles and rules may be appealed to for guidance in all directions. This is a study of life as it is in its elements and laws, such as to make the student familiar with the facts of human society, with the method and motion of these facts, with their consequences, their necessary connections and interdependencies. Here we should have an analysis of human activities, a comparative study of methods of advance in civilization, a consideration of the value of different forms of society and schools of law, with instruction in the importance and principles of property, the duties of the citizen, the object of states and government, and in fact, the whole relation of the lad to his social environment. And thus he would know not much about fairy-land, but about the world, and would not need to forget it with speed, on his emergence from the Alma Mater whose drills had given him this knowledge.

In this course a strenuous accent of instruction would be laid upon industry and industrial matters. The reason being that industry has the same importance to a man's social relations that health has to his physical conditions. If a man is ill, his usefulness is curtailed greatly. If a man is straitened in pocket, his social forces are likewise curtailed. The poor and the sick are alike weak. No wealth means nobody. Society is costly, social

relations are poor and mean where money is scarce. Society is crude and undeveloped till it begins to command wealth. No destitute race ever had a history which was worth a rush. Even the Jews were obliged to have a David and Solomon "in whose days gold and silver were as the stones in the streets of Jerusalem," before they could have the Psalms and the prophets. The annals of a poor tribe are as the annals of sheep and cattle. And the individual is likewise. If he cannot make a living and has no inheritance, he is despised and unnoticed.

He must secure his living before any important work becomes possible. He may not require wealth if he has genius, but subsistence he must have, and later he must get far more than that, if he will reach the first ranks of his time. And therefore, should finance be prominent, until its methods are made familiar and easy to all. It should be an open and easy territory where the instructed man, if he be as guileless as a clergyman, should not err therein. And since the most of men come to all sorts of the trouble mainly through miscarriage of financial affairs, it should be the duty of education to keep a man from financial wreck to utmost of its ability until our educated class so far from being repented for their uselessness and incompetence in real life should afford an enviable example of soundness of judgment, appreciation of society, and wisdom in active affairs.

Cost of Production as the Basis of Economic Movement.

In a recent number of the *SOCIAL ECONOMIST*, after stating that the view point of thinking upon the social question hitherto has been supply and demand, it is proposed to substitute *cost of production* for quantity of supply, as the basis of economic movement. The same idea is embodied in an article on "Industrial Equity," where it is said that the only point of similarity between industrial equivalents is "the equality of cost that constitutes their economic equivalence." This conclusion, if it can be established, is of great importance, and there ought to be no difficulty in testing its truth.

Let us see what is meant by cost of production. An illustration is given by the writer in the *SOCIAL ECONOMIST*. He states, that when an apple crop is large, apples are cheaper than when it is small, not owing to the quantity, but on account of their cost—the increased crop of apples reduced the price per barrel because it reduced their cost per barrel. The inference is that "the only way change in quantity or supply affects price is through simultaneously affecting the cost of furnishing the commodity." It is easy to show, however, that this does not explain the difference in price of the barrel of apples under the circumstances supposed. Let us assume that when the crop is small, fifty barrels are produced, and when it is large, one hundred barrels, and that in the former case, each barrel realizes one-half more in price than in the latter case. Now apples are not actual produce until they are gathered, and it is evident that it will cost much more to gather the larger quantity than the smaller quantity. Moreover, the production is not complete until the apples are brought to market, and the cost of carriage of each barrel is an addition to the cost of production, whether the carriage be paid by the seller or by the buyer, as in the latter

case, the price given for the apples will be proportionately reduced. Thus the cost of production of the larger crop of apples must be considerably more than that of the smaller crop, and if that cost were alone concerned, the apples should sell at the same price per barrel, whatever the condition of the crop.

It is true that usually large quantities of a particular article can be produced at a relatively less cost than small quantities, but this rule applies only to manufactured articles, which through improvement in machinery, can be turned out more rapidly, and therefore more cheaply than at first. This enables the articles to be sold at a lower price than formerly, because each article is produced at less actual cost. In addition, it often happens that with a larger demand, which is implied in the increased supply, there may be a much quicker return than formerly for the capital employed in the manufacture, in which case, the price may be reduced. This is in accordance with the rule laid down by Mr. H. D. Macleod in his "Elements of Economics," that *rate* of profit varies *directly* as the excess of the profit above the cost of production, and *inversely* as the time in which it is made." In the case of the crop of apples, however, no improvement in machinery will enable the supply to be increased. It is true that labor bestowed on the fruit trees in pruning and manuring will probably be returned in an increased crop, but to what extent is uncertain. At all events such labor cannot be compared in efficiency and certainty of increased production with improvement in machinery for manufactured articles. The cost of production may of course be reduced by the use of machinery in certain agricultural processes, but it will not give any increased quantity. But, further, no such additional labor can cause the production of more than one crop in a year, so that in the case of apples, the element of rapidity is entirely wanting. There is in fact no question of *rate* of profit; it is simply a question of the excess of the price for which the apples are sold, that is their market value, over the cost of production. If there were no profit, there would

be no object in selling the fruit. It would be, however, of use for home consumption, and this shows where the error lies when it is said that the cost governs the value of the crop of apples. The fruit is a natural product, which requires very little labor comparatively to become fitted for use. Each apple has a certain contingent value while on the tree, and as the cost of production, including the labor required to place the articles on the market, is about the same per barrel whether the crop is small or great, the price must be affected (the demand being constant) by the quantity of the natural product and not by the cost of production. In reality, in considering the price for which apples can be sold to leave a profit over the cost, the whole crop is taken into consideration, and if this is found to be large, it can be sold at a less price than if it were small, just because the relative cost of production is the same in either case.

The whole question turns upon the cost of production and value, about which there has been much confusion of thought. It has been shown conclusively, however, by Mr. Macleod that "no change in cost of production will cause a change in value unless it is accompanied by a change in the relation of supply and demand." So far from cost of production regulating value, it is often the case that it is regulated *by value*. On this fact is based the sliding scale of wages which has been established in various trades during recent years, and which had been in use years ago in Essex and other English agricultural districts, where farm laborers were paid for their work in proportion to the current price of wheat. It is well known that the fact of there being a ready market for the sale, at a distance from home, of fruit and other natural produce raises the price of such produce near the place of growth. This is because the demand at a distance reduces the available supply on the spot, showing that value is governed by demand, and not by the cost of production, which is the same in either case.

The case is well put by Mr. Macleod, who thus writes : "To

say that the cost of production regulates price, is only true in this sense, that no man would willingly sell any article he has produced at a less price than that, together with something additional by way of reward for his labor, and he could not continue to do so for any length of time. But, having settled that in his own mind, as to the lowest limit, he always endeavors to get as much more as he can, without the smallest reference to the cost of production; his only object is to buy as cheap as he can, and he takes no thought whether the seller is selling at a loss or not. The result of this will be, that if the selling value of any article falls below its cost of production for a length of time, it will cease to be produced. Every man endeavors to produce as cheap as he can, and to sell as dear as he can, and the two operations are quite independent of each other."

But it is said that equality of cost constitutes economic equivalence, and that "however great may be the difference in form, quantity or quality of what is given and received, if each obtains what is equal to the cost of what he gives, he receives an economic equivalent, *because he receives what will enable him, if necessary, to replace that which he gave.*" This reasoning, however, depends for its force on the words I have italicised. If either party did *not* receive what would enable him to replace what he gave, there would not be an equivalent exchange, and such a case might easily occur. For two articles which are exchanged may have cost exactly the same to produce and yet, owing to serious circumstances, they may be of unequal value. For instance, fashion has a potent influence over value, even among savages, who will give more in exchange for certain articles than for others which have cost as much or more to manufacture. A particular article, though not in the fashion, may, among savages or civilized, take the fancy of some person, and there may be an equality of cost between what he gives and what he receives; but if he tire of the latter, he will find that he has not received "what will enable him, if necessary, to replace that

which he gave." It might be so even with the precious metals themselves, if they happened, as has sometimes been the case, notably among the ancient Spartans, not to have any exchangeable value. Moreover, that which has cost little to produce may be of much greater value than what has cost much. Mr. Macleod instances various cases of this kind when treating of the supposed dependence, which he proves to be groundless, of value on labor. This has an important bearing on the question under discussion, as labor is in many cases almost equivalent to cost of production. Thus coal or marble has no exchangeable value while in the mine or quarry and before it has been worked. The cost of extracting gold or other precious metals from the ore may bear a considerable proportion to the value of the metal when placed in the market, but much gold and silver, and many diamonds and other precious stones have been obtained with the expenditure of very little labor; so that, to take the case of gold, although this is exchangeable for equal market value in cloth, this may and probably will have cost more to produce than the actual gold for which it is exchanged.

What has been said may now be applied to the case of labor, a large quantity of which also may be exchanged for what has cost little to produce, although of great value. It is said by the writer in the *SOCIAL ECONOMIST* that the progress of society involves the economic movements, one that the price of labor should rise, and the other that the price of commodities should fall. As to the latter point, it is said that the price can be permanently reduced only by lessening the cost of production. This may be accepted as generally true, although whether or not the price shall be reduced with the lessening of the cost of production depends entirely on whether this can be effected without an increase in the quantity produced. But how is a rise in the price of labor to be brought about? Usually it is affirmed that this can be effected only by equalizing the supply and demand, that is, either by an increased demand for labor, or by a decrease in the number of la-

borers. This is practically, although in different ways, making labor dear, which the SOCIAL ECONOMIST asserts is the economic means for permanently making wealth cheap. It is said, however, that the proper way to make man dear is to increase the cost to the laborer of furnishing his labor. The laborer, we are told, "can never permanently obtain more from the product he helps to create than the equivalent of the cost to himself of his service," that is the cost of living on his own social plane.

It is undoubtedly desirable that the rate of wages should rise, if and when this is consistent with other economic considerations, and also that "the standard of the laborer's social life" should be raised as high as possible, but how are the desired ends to be brought about? The mere fact of a man thinking it necessary to spend two dollars a day instead of one dollar in living will not enable him to obtain an increased return for his service. Nor can he expect to receive increased remuneration either through the mere goodwill of his employer, or owing simply to the rise or fall in the price of commodities. The rise may be due to a scarcity of raw material; while the fall, without a greatly decreased demand, may decrease rather than increase the profits out of which the additional wages would have to be paid. This is indeed admitted when it is said that "the successful use of labor-saving depends upon the possibility of producing on a larger scale," which in turn "necessitates a larger market for products, or an increased consumption by the people." But what is true of commodities is true also of that by which they are produced, this itself being a commodity. The increased demand for any form of wealth causes an increased demand for the labor necessary to the production, and in consequence of this demand only can the laborer increase the cost of furnishing his labor, that is, improve the style of his living. The rules of economics are as unbending as the laws of nature, because they are expressions of these laws on the social plane; and, as proved by Mr. Macleod, the universal law in economics, of which its rules are the application, is that "the relation between demand and supply is the sole regulator of value."

C. STANILAND WAKE.

Mr. Wake has evidently studied theory to the neglect of facts. Had he relied more on his own observation and less on Macleod's doubtful assertions, he would hardly assert that if the cost of production "were alone concerned, the apples should sell at the same price per barrel, whatever the condition of the crop." He would have known that the expense of picking and shipping apples does not constitute the whole cost of their production. One might as well estimate the cost of producing wheat without including the original cost of the land, expense of plowing, draining, fertilizing, fencing, etc., or omit the expense of buildings and machinery in estimating the cost of producing cloth. Since the general cost of the original investment in land, trees, expense of caring for the orchard throughout the year with taxes and other expenses, is just as great for a small crop as for a large one, the total cost of producing each barrel of apples must increase directly as the crop diminishes, and *vice versa*.

The statement that "large quantities of a particular article can be produced at a relatively less cost than small quantities, *but this applies only to manufactured articles*" is also incorrect. We have abundant proof of this in the extensive use of improved agricultural machinery by which the cost of farming has been greatly reduced, and the price of many agricultural products lowered to the great benefit of the community and without injury to farmers.

Contrary to fact also is his statement that "it has been shown conclusively however by Mr. Macleod that no change in the cost of production will cause a change in value unless it is accompanied by a change in the relation of supply and demand." Now everybody knows that, during the last forty years, there has been an immense reduction in the cost of producing all kinds of manufactured products, and also a great fall in the price of those products, although there has been no appreciable "change in the relation of supply and demand." Then as if an affirmation by Macleod was more important than a statement of fact, he says:—

"but how is a rise in the price of labor to be brought about? Usually it is affirmed that this can be affected only by equalizing the supply and demand; that is, either by an increased demand for labor or by a decrease in the number of laborers." Yes, that is exactly what is "*usually affirmed*," and what is as universally untrue, for a permanent rise in wages was never brought about by any such means. As we have elsewhere shown,* almost every rise of wages that has taken place during the last five centuries has been in direct opposition to this postulate, there never having been a time since the middle of the 14th century (except under temporary local circumstances) when the supply of labor was not in excess of the demand.

Mr. Wake's statement that "the mere fact of a man's thinking it necessary to spend \$2 a day instead of one in living, will not enable him to obtain an increased return for his services, nor can he expect to receive increased remuneration either through the mere good-will of his employer, or owing simply to a rise or fall in the price of commodities," only show how completely he has failed to understand our cost of production theory as applied either to commodities or labor. We do not claim that the value of *each* article is determined by the cost of its own production, nor that the wages of *each* laborer are determined by the cost of his individual standard of living, as Mr. Wake appears to assume but that the price of labor (commodities too for that matter) continually adjusts itself to the cost of producing the most expensive part of the supply necessary for a given market. And the more people know about economics, and the freer they are to act upon their knowledge, the more rapidly will the law act.

Mr. Wake's chief mistake is in relying so implicitly upon Macleod as an economic authority. It should be remembered that the only authority for economic theory is *facts*, a source too much neglected by the orthodox economists. But in selecting Macleod, our correspondent is especially unfortunate, since he is one of the poorest of a poor school of economists. He evidently

* Gunton's "Wealth and Progress," pp. 50-52. also "Principles of Social Economics," pp. 105-106.

had some acquaintance with the facts of banking, and wrote well on that subject, but on economic principle he was dogmatic and superficial. It is true that "the rules of economics are as unbending as the laws of nature, because they are expressions of those laws on the social plane," but the person who says "*the relation between demand and supply is the sole regulator of value*" can never be a true interpreter of those laws. Indeed, one might as well quote Henry George or Edward Bellamy on social philosophy as Henry Dunning Macleod on economic science.—ED.]

*See Gunton's "Principles of Social Economics," p. 131.

Ancient and Modern Civilizations.

While taking the course of Chatauqua readings, and especially during the years devoted to ancient Greek and Roman history, I was led to inquire wherein the world had advanced since those times, and on what lines its progress had been made. Surely there was no lack in the classic period of what we deem the very flower of civilization, its end and aim, culture and luxury. Art then reached in several lines its full and perfect fruition. No greater sculptors and artists have since appeared—none so great. The very ruins of those marvelous creations of genius have in succeeding ages excited the wonder and admiration of mankind.

In one domain of art only have they been surpassed—music, which reached its highest development at a much later period. But they were by no means deprived of that enjoyment, although their themes and instruments were much more simple and crude than ours.

They had fewer books, but were amply compensated for the absence of these by a literature, in both countries, that has since grown classical. So great and grand is it considered that two-thirds of the time passed by students in our colleges is spent in its study, and in mastering the old and dead languages in which it is written.

As for their philosophers, statesmen, orators, poets—are they not now numbered among the greatest the world has ever produced? And it is the same with their warriors both on land and sea. Indeed it would be hard to mention a single field of human endeavor and intelligence in which they were not supremely great. Genius seems to have been in the air, and the few hundred years before and just after the advent of Christianity would almost appear to have been the blossoming time of the human race.

The youth of those times were taught mainly through con-

versation and debate, thus stimulating the minds of the pupils and forcing them to exercise all their mental powers. It would be difficult to see how we have improved upon their methods in that direction. Indeed, it seems to be the tendency of advanced modern thought to imitate to some extent their system. They sought even in their recreations to combine instruction with pleasure. Their famous Olympic Games were an educational institution in themselves. Artists would witness the foot-races, the wrestling matches of gladiators, for the sole purpose of studying the various attitudes and poses of the human body that they might reproduce them in their statues—with the wonderful results I have already indicated. Distance has no doubt lent a charm of its own to life in those far away centuries, idealizing its attractions, and covering with a soft haze its defects, of which we must admit there were many. But enough of their history and works in literature and art has been left us to justify the belief that the time of Socrates, Plato, Pericles, and others scarcely less great, was one of the golden ages of the world. I mean, of course, from the standpoint of which I am writing—culture and genius. It would seem to one giving much thought to the subject that both genius and culture would be the last to be developed in any civilization, but history seems to prove the contrary to be true. Men will gratify their desire and love for the beautiful, will sacrifice their blood and treasure to secure it, when their material well-being and comfort will oftentimes be neglected.

In what then has the world progressed? Not in literature and the arts, that is evident. Has it so greatly in wisdom? Surely Solon, Plato, Marcus Aurelius, were as wise in their time as any of our modern seers, and their writings tincture the thought of to-day quite as much as those of the thinkers of the present. No! we must look elsewhere than in the ranks of culture and learning to find and measure the progress of civilization. It lies in the gradual, slow, but sure uprising of the great masses of the people.

For centuries they have lain comparatively dormant—even during the epoch of which I have been writing, so rich in genius and greatness. It is to them we must look to find our claims justified of the great superiority of modern life over the past. It is true that, when we compare the life of the kings, rulers and wealthy classes in the old times with the same in ours, the difference will indeed seem small; but what was the condition of the people? Were they not on a level with animals and slaves? A large portion indeed, especially in Rome, were slaves, although of the same race and blood. Even those who were nominally free were not much better off. They were hardly as well housed or fed as the animals of the wealthy. They were never considered or their consent asked when their rulers required money, or an army to fight their enemies or rivals in power. Any slight difference between hostile leaders of factions, that now would be settled by yielding a point or two on either or both sides, then meant a sacrifice of hundreds of human lives. They endured every hardship and privation during the long devastating wars of that period, only to be pierced by javelins and spears at last. What did it matter to those in command except that others must be found to fill their places and be subject to the same destiny. During times of peace (few and far between) they were crushed almost to the very earth with many and greivous burdens. Taxation in many different forms was continually levied upon them to support the government and nobility; a refusal to comply with all demands of that kind being followed by imprisonment and even death. They had absolutely no rights that anyone was bound to or did respect. It is true that, when goaded beyond endurance, the people would sometimes break out into open and active rebellion. They would in that way, from time to time, force some privileges and concessions from the ruling powers. It sometimes happened also that some one of their own number would rise from the ranks by sheer force of genius and thus gain a place among the ruling classes, and in a number of instances (in Rome particu-

larly) would even win the chief control. But such leaders often proved more tyrannical and despotic than those they deposed, and the people would be subjected to perhaps a worse slavery than before.

Many causes have been given for the downfall of Greece and Rome. One reason given is their lavish expenditure and extravagant living; but one would think that that would work for the benefit of the commonwealth, by enabling the money of the wealthy to circulate freely among the poorer classes, thus encouraging the industries of that time as well as the arts. Be that as it may, their civilization was reared upon an insecure foundation, and was bound to go down. As a tree will oftentimes flower more profusely just before dying, so Roman luxuriance and magnificence in their last days were signs of decay—a gorgeous top with withered and lifeless roots. Or it may be compared to one of their own temples, whose beautiful columns and domes delighted the eye, but the foundation stones of which were perhaps already crumbling. As the fall of such a building would be most destructive to the highest pillars and arches, so the fall of the Roman power was most disastrous to the kings and nobility, affecting very little comparatively the great mass of the people. They could not fall; they were at the bottom already.

There can be no permanent prosperity of one class of society over the others. All must rise or fall together. Humanity in those days was too cheap. The comfort, welfare, and even lives of the lower orders of their commonwealth could not be so recklessly disregarded and the nation still endure. The whole fabric of their society was rotten at the core, and the result inevitably followed. The glory of modern life is that man has risen, and is rising in value. The greatest use made of him in the olden time was to be formed into armies and led out into battle. The slightest pretext was sufficient cause for war. *Now* it is entered into as a last means of resort, when all other means of settling difficulties have failed. It is altogether too expensive; our civilization needs

men for much higher uses than to be shot down on the battle-field. Why has modern life found men so desirable and indispensable? What has caused the change? The answer to these questions and the claims of perhaps the greatest factor in the uplifting of the people have been so ably and strongly stated in two papers that have lately appeared in this magazine, entitled "Machinery and Culture," and "Machinery and Morals," that any words of mine on that line would be indeed superfluous. The wonderful results of great inventions, from that of printing down to the present time, are given in these two essays in a manner so clear, logical and convincing, that they cannot fail to impress all who read them. One studying the old and new life will notice how little invention has done for the rich compared to the enormous difference it has made in the lives of the poor. The former with their horses, chariots, attendants, slaves, and apartments of palatial luxury did not especially need telegraphs, railroads, steamships, telephones, or even books and newspapers.

Perhaps the author of the two papers mentioned above will go farther and show how machinery, in making people more cultivated and moral, will also tend, and for the same reasons, to make them more religious. A great deal is said and written nowadays in religious newspapers, publications, and elsewhere, as to why the churches are not better filled. Is it not because they have not grown sufficiently with the people and thus failed to meet their needs? Ministers are so wedded to their dogmas and creeds that they seem entirely blind to the upward tendency of everyday life. Less and less regard is paid by the masses to the "letter which killeth," and more in the same proportion to the "spirit which giveth life." It cannot be questioned that the true spirit of Christianity is more universal now than ever before. There is more doing for others by others. People are growing more unselfish in their dealings with each other, and more regardful of their neighbor's welfare. They are beginning to see that charity does not consist merely in giving indiscriminately, but in doing as well. "The gift without the giver is bare."

The wealthy use their means more than ever before for the benefit of the lowest classes of the community. Even the out-cast and criminal is not forgotten. The tendency of the times appears to be that he will be even more considered in the future, and better and more human methods taken for his reclamation. Formerly, everything was done for the benefit of the small minority of society—the nobility and the rich. Now it is quite the reverse. All the large schemes planned and put into execution are for the advantage and use mainly of the great majority of the community. Otherwise they could not be done at all. Thus all classes are benefited. Built on this broad and solid foundation, there is little danger that our civilization will crumble and fall like that of the old Greeks and Romans, but each succeeding age will find it more stable and secure. The scriptural prophesy that "the last shall be first and the first last," will be finally fulfilled.

A CHATAUQUA STUDENT.

Our readers will perhaps notice that we do not share the great admiration for the Ancients expressed by the writer of this article. The Greeks did indeed reach a high place for that time, but excepting in sculpture, which is the simplest of arts, and literary style, which is indeed their chief distinction, they reached no great superiority. In politics, science, painting, music, philosophy, architecture, mechanics, economics, complexity and power of life, we are leagues in advance of them. And it only shows the mis-direction of Chatauqua as well as other colleges that they are so devoted to them, to the neglect of the immense affairs of our day. "Mint, anise and cumin" were long ago preferred to "weightier matters of the law," and will continue to be. But the writer is profoundly right in what is written of the masses.—
ED.]

Magazine Literature.

THE *North American Review* for July is largely devoted to economics by many authors. A charming assortment of errors the articles contain, "thick as flocks of winter-shunning birds"—as if truth were still hiding at the bottom of her well.

MR. ERASTUS WIMAN valorously thinks that wheat is going to rise 40 cents a bushel and so set "the farmer on top." This is in spite of the fact that wheat, has always fallen secularly since the time of Joseph's speculation in Egypt some time ago. His argument is the old one that population increases faster than wheat acreage, and must overtake the supply, though all signs are, and always have been to the exact contrary. But facts are so disturbing to theoretical economists! Let us have peace.

PROF. R. T. ELY, of John Hopkins, proposes to help distribute the surplus of production by a graded tax on inheritance! Would that we could persuade him that surplus is always descending to society in higher wages and lower prices, and if it has not yet reached all, in shares sufficient to make all comfortable, it is because there is not enough for all, and so more must be produced. Certainly the law of surplus distribution, which works automatically, is better than special taxes and interference of statute. But Prof. Ely seems to half-think that a law to divide everything would be better than the present natural method. So many men are wiser than the order of nature.

MR. DORMAN B. EATON, the original Jacobs of Mugwumpism, enlarges on the new Mugwumpism of men who believe in the party and in little else, and scoff at "reforms and reformers, at fidelity to principle and usefulness to the country." He goes on with the usual wholesale, blind diatribe of the professional saint—so antiquated, so useless. Has all virtue been decanted

off into a few superior persons in this year of divine grace? Civil service reform is well enough, but the common politician is not a universal blackguard, and is often as useful in his work as the omniscient creature of fine notions and many words. Anyway this indiscriminate writing gives one no light and no direction, and makes no converts.

Especially does Mr. Eaton fall foul of "the boss," whom he regards as the soul of dishonor. Well, perhaps he is. But supposing there were no boss; supposing the average workingman voter were left to his own unaided and dull intelligence, unstimulated by any personal interest in offices or office holders, or any consideration of public interest—where would be the gain? What sort of thought would he be likely to give to politics anyhow? And if he gave none, the office might indeed be better filled, and public duty better done, and it might not, but the expense would be enormous, being nothing less than alienating the common man from his interest in grave questions and the drift of public affairs.

And where would a Republic be of whose important questions the common man did not even know the name? The civil service reform might give us a daintier government, and possibly a cleaner, but in a Republic the people do not exist in order to have a perfect government, but the government exists to make a perfect people. And a large part of the government's use is the education it gives the people by getting them to take an interest in its questions and affairs through their interest in offices and officials. Powell says that "Hamilton was a believer in government and not a believer in men," and quotes him as saying: "Your people, sir—your people is a great beast." The civil service reformers seem to agree with Hamilton in a vague way. And they are wrong. True civil service reform might take those things from the government which it does badly, but it would not take the government from the people. Business may safely be removed from the control of government, but in a republic, government can never be safely removed from the control of the people.

IN THE *Westminster Review* for July, D. F. Hannigan asks if the Irish Problem is insoluble? He thinks not, and his remedy is "to let the Irish make their own laws." Matthew Arnold on the other hand thought the way was "for the English not to do something different but to be something different" from what they are. Mr. Gladstone thought it was to reform the land tenure; and Mr. Balfour that it was to punish crime and criminals. Mr. Parnell with his Home-rule ending in a quarrel brings up the rear with an ineffectual effort.

Meanwhile, population has declined in the last decade in Ireland, and it turns out that a little crowd of something over four millions of people are kicking up all the bobbery, and keeping England's thirty millions in perpetual hot water. Ireland gets more and more deserted, and then in spite of Malthus, wages advance less rapidly than in crowded England, and though laborers decrease, as if to spite the supply and demand theory, thus unhorsing two prevalent economic doctrines at once. London grows by the Irish who flock to the city from Ireland because they can live better in England, thus unhorsing a third orthodoxy about land. And in spite of this, the English do not see that the Irish leave Ireland because its poverty increases, and do not think of sending machinery there to start new industries and make people happy by giving them a better living. All the Home-rule in the world will do no good if it brings no increase of production. "Where the oats are short the horses kick," says a homely old proverb, which so "horsey" a nation as the English might well apply to the kicking Irishmen. The destruction of the poor is their poverty and their salvation is wealth.

AN article on "Practical Morality" begins, as usual on such subjects, in the middle, runs both ways, and ends like a western squirrel track—up a tree. First it slays again the defunct theory that morality depends on creed, girds at the churches for thinking more of their sect than of morals, instances the

Czar as an example of the failure of an orthodoxy to be decently humane, since he maltreats the Jews, claims that modern society is with all its pretenses unchristian, and suggests that morality is "the product of growth of reason" more than anything else, and believes that things are mending. Could anything be more unsatisfactory? Let us increase "sweet reasonableness" then and wait for that to work out our moral salvation! A fine prospect!

Meanwhile as against that are all the selfish interests and animal passions and ungovernable tempers and stupid brains of the million-minded human race "from China to Peru"—a vast increasing horde of men driven by fear, hatred, avarice, revenge, lust, envy and cruelty to innumerable crimes, and working their evil deeds into the fibre of society, breeding them into nerve and bone of its children, teaching them by example and precept, and consecrating them by the thousand false principles of a thousand false religions, whose horrid tenets but add to the fury and frenzy of men's natural passions;—against sweet reasonableness are all these, and this writer calmly leaves us to that like lambs among lions, to work out the problem of bringing all human men to honor, truth, virtue, and social graciousness. One might as well advise reading the riot act to a cyclone, or trying to stop an earthquake by an injunction. Man is a burlier animal than to be quelled by maxims from Ben Franklin or Waldo Emerson. Think how long moral precepts have wrestled with Arab, Turk, Bulgarian, Russian; how long religious doctrine has hammered at Italian, German, Englishman and American, and what crimes are still possible to each and all? If we had only precept to govern us we might well despair of the future.

But there is a stronger power in the field, as we have lately said in these pages, and that is—machinery and industrial development. These are taking the shaggy and untrimmed races by the mane and clipping the rough coat of their animalism and brutality, turning the wild man of the woods into the civil man of the town and the city by making his clothes fine, his skin

clean, his shoes comfortable, his house attractive, his wife dainty, his food sweet, his conveyances elegant, his means of travel luxurious and his hopes high! Precepts are straw in comparison! Things are educators and motors. Multiply things, increase comforts, increase production for all to consume, and you will have gentlemen and ladies who will scarce need precept! Steam-engines are the great moralizers, not Dr. Sam. Johnson, nor Cardinal Manning, nor any school of philosophers, though Plato himself sat at their head with Spencer for his prophet. Profits are more powerful than prophets—even though the hopeful Bellamy were leader of the soulful choir. Nor will our moralists ever see their way through the terrible human problem, till they learn to look through the eyes of economics.

PROF. J. RODES BUCHANAN exploits his feelings in the last *Arena* against "pleutocratic profligacy," or the enormous consumption by the rich in ostentatious expenditure. His reason is that "every dollar represents an average day's labor," and therefore it is wrong to build a \$700,000 stable like a Syracuse millionaire, or to using a \$50,000 dinner service like a New York Astor. Therefore he would suppress the hot-house flower business, the diamond business, the fine caterers business, also probably the lace business, the fine silk business, the opera, the theatre, costly paintings, crockery, cut glass, the kid glove trade, and fine church-building, wood-carving, and the rest of industries which subserve luxury and taste. Well! And when these handicrafts are suppressed, what does he propose to have the laborers now employed in these arts and trades turn to for subsistence? They would be out looking for work, and would per force rush into other trades which Mr. Buchanan says are already so overcrowded as to give but a scandalous living to their employes. Who would lose most by this? Evidently the poor. And where would Mr. Buchanan stop "criminal expenditure?" At the shoe, clothing, market, and house businesses? A terrible world he

would make for us—worse than the shakers' humdrum, and with so few employments that we should all be tailors, shoemakers, farmers and carpenters. A fine condition truly, and one easy to find! Every little village is apt to be just about that, and are little villages such charming places to live in? They are very dull, monotonous and trivial, and we doubt if even Mr. Buchanan could get much of a rise for his "great ideas" out of the dwellers in them. Let him ask how many readers the *Arena* gets in such places. If he would only study to learn in what civilization consists he would find that luxury is its very end and aim—*luxury for a continually increasing number until it shall reach all.*

What he complains of virtually is that it has not yet reached all, but he ought to see that it reaches more and more yearly, and instead of trying to prevent it from blessing those it has reached, he should be helping to speed it on to a still larger number. He ought to know that the way to help mankind is not to take wealth from one class and give to another, but to produce more that all may have abundance. Vastly more and better machinery will finally make the poorest comparatively rich. To stop spending anywhere would arrest business, curtail consumption, reduce wages, enforce idleness, and end in ruin for all. It might be better for the rich man to build model tenement houses than to buy flowers for a reception, though, even there, what he spent on builder's laborers he would take from florist's laborers; but either is far better than for him to keep his money and not spend it. To spend it in charity would be the worst of wastes, as that would encourage pauperism and discourage honest toil.

Mr. Buchanan wishes to reverse the movement of civilization in favor of socialistic experiments. He might reflect that if one should reverse the earth's motion suddenly, things would fall off in such a wreck as to ruin even the valiant reversor with the rest. Which things are a parable. But as Mr. Buchanan is an old resident of fairyland, he should hardly be expected to understand the practical working of things in a real world.

FOR the finest assortment of economic errors we commend our readers to an article by Miss Eva McDonald of Minnesota on "the Wage System" in *Belford's Magazine* for June. First, she sketches industrial progress historically as usually given, endorsing Thorold Rogers' two great errors—first, that feudal laborers although serfs, lived very comfortably in their wolf-skins, hovels, squalor and ignorance; second, that "there are now populations in our great cities more destitute, squalid, hopeless and drudging than they." Then she trips on to quote Gronland who says: "The social state of each epoch is as perfect as the correspondent development of the race permitted," and so bases the remark that the wage system will be replaced by a better order as soon as society is prepared for it."—To which one might say as some one replied to one who said that "Digby," a poet, would be read when Milton was forgotten. "Yes, and not till then." She says that "millionaires and paupers are necessarily co-existent," careless of the fact that whole tribes of paupers can, and do exist as Africans in Africa, digger Indians and hundreds of others, without the trace of a millionaire among them.

Next comes Ricardo's error that "exchange value depends on the quantity of labor put into goods" instead of the cost of labor—a far reaching distinction. Then that "labor produces all the surplus of manufacturing"—oblivious of the fact that the laborer in the factory only contributes a day's *hand-labor*, which without the machine would produce scarce a thousandth part of what the machine produces; and that therefore by this tally, the laborers would be only entitled to the value of a day's labor without the machine, which would be a fractional part of his present wage. The rest would go to the machine, that is, the man who makes it or sets it up and running, who is the capitalist and who does not get all the residue by far.

Next, as if to confute herself, she shows that the laborers get half the profits of the machines, and finds the capitalist grasping, not because he gets the other half, which really seems right even

to her on a small scale—as when a man and his partner go fishing together, one with his hands to row, and the other with his head to steer, and divide the day's catch—but because if his head employs one thousand hands, his share with each is still half and then amounts to such a large sum. She forgets that each laborer would get far less if the capitalist did not furnish machinery and plant for both. She remarks gravely that "it is one of the peculiar features of the wage system, that the machinery, factory, and the most valuable land is owned by the employer and capitalist." So when Jacob courted Rachel, it was the peculiar feature of the situation that the flocks and herds which he tended belonged to Laban to whom also Rachel belonged. Things always belong to somebody, and those who have the most are called capitalists, and differ in nothing from laborers except in creating more, so that laborers can get half the proceeds of it invested in machinery. Miss McDonald says: "Capital decays unless used," and she might add, labor perishes unless applied. She complains that "labor pays a high price in giving one-half its income for the use of capital," but she fails to say that labor pays thus much for capital, because it can make so much more even at this high rate, than it can, when working without capital. It pays for capital because it finds it profitable to do so, and that is why labor swarms from the farm to the factory.

She rightly laughs at the advice given to laborers to save wages and become millionaires; of course it is absurd. What they need to do is to combine and use machinery of their own. They could not become millionaires by saving if they had ten dollars per day. What they need is capacity. The able ones do become millionaires in the only way in which any one ever did, that is, by learning how to draw upon nature who has enough and honors the largest drafts at several years' date.

Then she runs into the most absurd of all errors, saying that "the wage-worker wants to limit the supply of applicants so that wages may rise." And so this innocent maiden in her sim-

plicity encounters the supply-of-children problem, and like Matthew Arnold and other passionless folk, advises that the annual crop be curtailed. Such fudge! Why not propose some simple task like reversing the whirl of the earth on its axis, or heating the poles with starlight. Were hers the true remedy, the laborer's case were desperate indeed! But as our readers know, few people make poverty for all,—scattered tribes are almost tramps as to property. Few wage-workers always get low wages. Let the workmen raise their standard of living, learn to want more and spend more, and then there will be more work and more wages. "Political freedom makes industrial freedom valuable," she adds—but really industrial freedom alone can make political freedom possible. Wealth comes first, then freedom.

And then she ends in socialism, the general refuge of all who tire of thinking out industrial progress, and the only method of its advance by increased capital in fewer hands, and therefore widespread freedom from responsibility and grinding toil. "Voluntary co-operation" is her desideration, not seeing that this is precisely our present status, since no one is forced. Laborers work willingly for capitalists who voluntarily put up factories and pay wages. All are compelled by nature, whose lash plays freely upon all backs and drives each to his task against his will, only because trees do not produce bread ready baked, nor hedge-rows clothes ready made, nor rocks offer houses ready built.

THE (English) *Economic Journal*. It is pleasant to see that English economic thought is beginning to waken and bestir itself from the long lethargy into which it has been thrown by the Political Economy of John Stuart Mill. Mill's book has so long been held to be the true Bible of English economics, that any advance in its doctrines stood a chance of being hailed as profane. But *The Economic Journal* organ of "The British Economic Association" comes to us with its first number (March, 1891,) full of fresh thought and onward looking views. The paralysis has evidently ceased.

And this is all important because, since the English, who were always the real leaders of economic thinking ceased to lead, the Germans took up their economic parable and have been following, after their manner, on the English propositions without adding anything important, disguising our old friends—value and interest, rent and production until one would barely recognize them. Their mystifying has reached the deepest depths of profundity and bathos in Mr. Böhm Bawerk's terrible volume, which has received the plaudits of a bewildered and wretched world. Could anything give a louder assurance of the inability of our economists to understand either themselves or each other than the laudatory reception of the painful work—where clear English views are turned into cloudy German metaphysics, and then greeted as profound novelties? But since Germans could only confuse the subject, it was desirable that the English should take it up anew. And this indeed the new developments of industrial society has forced them to do. As we have once remarked, things are always done before they are said, and it was beginning to be painfully evident to economists that the growing boy of industrial evolution was beginning to strain all the seams of the Mill economic jacket, even to bursting. The facts did not confine themselves to his principles but went shamelessly on, regardless of their danger of splitting his system to ribbons and reaching on to results completely defiant of his rules.

So the new *Economic Journal* comes out with Rae and Mayo, Smith and Seeböhm, Cunningham and Gibbs, and others, open to all comers, and though it be as destitute of principles as a newly hatched chick is of quills, yet will be likely to grow as time goes on. It is something at any rate to see men setting out in search of principles. In truth, the development of society, as we said, goes on at such a pace that something is needful to be done. Nothing that Mill and Malthus prophesied has come to pass—though population has increased enormously, means of subsistence multiplied still faster, wages have risen and carried profits

up with them, prices have fallen and brought increased prosperity, luxury increased and pauperism declined—everybody has been greatly benefited by the increase of machinery, and production has sped by leaps and bounds, while hours of labor have been diminished. Obviously "something is rotten in the state" of Mill-dom, and the doctrines needs much repair. We only hope that the hitherto misused doctrine of Ricardo that prices are fixed by the cost of the dearest portion of the necessary supply of goods and labor may become a starting point for the new scholars.

Any one who wishes an awful example of German handling may read (if grace be given him to finish) an article in this very number by Prof. Weiner on "The Austrian Theory of Value." He says: "Products present themselves not merely according to their sources, but according to their value as well as *the synthesis of their productive elements*. Cost of production determines the *relative* value of produce, while the *absolute* value of the commodities consumed in the cost is determined by the value of the forthcoming produce." And then a long-suffering human race is expected to read economics! As a preparation for seeing one stirs thus much mud into water.

But other articles on "Eight Hours in Australia," by Rae, "French Peasant Proprietorship," by Seeböhm, (who, however, hits the wrong reason for his point) and Cummingham's historic papers are delightful. *O si sic omnia!* Some day light will be seen, and economics become as pleasant reading as good history.

THE *Union Pacific Employes' Magazine* comes to us as a type and symbol of the coming man and the coming world. The age is indeed progressing when mechanics think and publish. We suppose the dons will smile in a superior manner when we say that the magazine has more importance and clear sense by far than many which come from the schools and universities. Still we should not be ourselves if we did not have criticism to make. The writer on "Prosperity and Wages" seems to tie

himself up into a double bow-knot of difficulties before he gets through, and lends us but little help when he concludes that each must settle these questions for himself. To him "the wage-question" stands thus: If all receive a proportionate increase of wages, if anything results, all are worse off than before. If a few get the increase—that represents a loss to the others. So that nothing is gained by advocating an increase of wages for all or a part." If this writer would start with a fact, and not with a theory, he would see that a rise of wages either for all or a part has always been a benefit to everybody. And then he would ask how has it happened to be so? Then he would see that a rise of wages took money out of the manufacturer's surplus to start with, next that that surplus was always growing larger because the increased wages of workmen gave increased sales to the factory, which enabled manufacturers to reduce prices at the same time, and provide steadier work. Also that when the surplus became perilously small, manufacturers were compelled to improve machinery so as to produce more at less cost, and so reimburse themselves. Another writer inquires whether "a remedy can be found" to the need of violence in strikes? He suggests none himself, but writes in a very temperate spirit. If we might lend him a hand we should say that strikes decrease in violence slowly, and this was already scarcely more than violence in the common conflicts of individual relations. It therefore tends to a vanishing point. And there will be still less need for it when employers and workmen both understand that *increasing wages is the natural law of labor*, with which go an increasing market, larger sales, greater profits and lower prices.

Editorial Crucible.

Correspondence on all economic and political topics is invited, but all communications whether conveying facts, expressing opinions or asking questions, either for private use or for publication, must bear the writer's full name and address. And when answers are desired other than through the magazine, or manuscripts returned, communications must be accompanied by requisite return postage.

The editors are responsible only for the opinions expressed in unsigned articles. While offering the freest opportunity for intelligent discussion and cordially inviting expressions of well digested opinions, however new or novel, they reserve to themselves the right to criticise freely all views presented in signed articles whether invited or not.

THE SOCIAL ECONOMIST will not be published in August, but will be somewhat atoned for by increasing the size of the present and September numbers.

AS IF TO INDORSE our article on the effect of classic study, Chancellor Saxton of Union College flashes out concentrated wisdom as follows:— "While the speaker had nothing to say against riches or those who possessed them, he urged the graduates to avoid their contaminations and to contend against their narrowing influences." Nothing to say against riches indeed! And then to warn against their contaminations! Wealth being the mother of cities, science, literature, art, liberty, universities, manners, government, and in short civilization, one must beware of its "contaminations!" We rather would warn students against poverty and its degradations—its squalor, bondage, distress, narrowness, ignorance and brutality. We would say—flee first from poverty and strive to keep out of it, as out of a true bottomless pit of wretchedness and degradation. "The industrial age is grander than any past" as the Chancellor further says, because it is devoted to the production of wealth, is it not?

ESTABLISHED ERRORS die hard, and the supply and demand theory of wages is no exception to the rule. Doubtless it lingers only till a substitute can be found, but it is crumbling inch by inch, as late discussions show. The controversy is rapidly leading to a reconstruction of the whole theory of economic distribution on the lines indicated in Gunton's "*Principles of Social Economics*." Mr. James Boner in the January number of the *Quarterly Journal of Economics* discusses it without novelty, Messrs. Hobson and Clark in the April number try to bring it all under a metaphysical theory of rent. Pres. Francis Walker now restates his views in the July number, which we shall discuss in September.

THE ENGLISH TORIES lately voted against a proposed law to prevent children from working in factories under 12 years of age. The Liberals however carried the bill against the government. All the mill-owners were opposed to it. The virile Englishman can be brutal to the last extreme, if it is for his interest. One shudders to think of children shut up to hard work before they have even begun to be men and women. The State should see to it that its citizens are made good, healthy, capable and not stunted in their babyhood. The State wants citizens, not wretches. And these little creatures should be protected, taught, trained, by every law during their early years. It is a poor civilization which cannot afford to raise vigorous men. But the English can afford it; and it is only the willfully blind whom experience cannot teach that there is greater profit in expensively raised communities than in cheap ones—in America and Europe than in India and China.

THE NEW YORK *Times* for June 24th has a leader on Immigration in the usual self contradictory style of most economic writing. It argues that our vacant land is the great attraction to foreign immigrants, notwithstanding the fact that there is more vacant land in South America where they might all go and

be welcome ; notwithstanding the fact also that Germans and others immigrate to England largely though there is very much less vacant land in England than in Germany. So little are facts regarded by the ready theorist. It should occur to this writer that a reason, to which there are two such commanding exceptions, could not be *the* reason which he thinks it to be. But is not the real reason why immigrants come here more than elsewhere because they can do better here than elsewhere ? And is not the higher rate of wages the cause of that, and not the vacancy of land ? " Our great cities " contrary to what the *Times* asserts have really this " industrial advantage over the great cities of Europe." And this is what draws the immigrants here, and will so long as it continues, which will be so long as our civilization is higher for the masses than that of Europe.

THE *Labor Advocate* of Toronto is a key-note paper of its own kind. We are with it heartily in advocating the interests of labor—in which none shall surpass us. But in this instance we regret to find that we differ so widely as to the measures and ideas which *will* benefit labor. *The Advocate* thinks " personal liberty and freedom of action are crushed " in the workingman, whereas we are sure that both are growing and must grow steadily under our present system, as they have been growing ever since steam machinery started.

The Advocate believes that millionaires are legal highway robbers, whereas we find that millionaires are great reservoirs of wealth from which enterprises draw their power, and as necessary as a head of water is to a city water supply, or to a factory water-wheel.

The Advocate means well—if it could only see well. But like other socialists it looks one way while the world rows another. And it fancies because it is easy to talk, it is also easy to re-arrange and re-organize society. It does not see that the contention is not between man and man as to a division of existing

wealth, for there is not enough to go round however divided, but the struggle is between man and nature as to what each can get out of her. O! *Advocate*, turn your hot thoughts to contrivances for getting nature to give us all enough, instead of wasting your energies in the vain endeavor to redistribute the little there is! Greater production is the only means by which the world's poverty can be lessened.

IT IS INTERESTING, if not always instructive, to see how political editors handle economic subjects. The New York *Sun* is laboring very hard to manufacture a Presidential issue out of the phrase "a billion-dollar Congress." And now, as if to show the futility of such arguments (though entirely unconscious of it), the New York *Press* is trying to establish the superiority of Republican administration over Democratic, by showing that the per capita of taxation is higher in Democratic than in Republican cities. The implication of this argument is that large per capita public expenditure necessarily implies corrupt or incompetent administration, which is as false as would be an assumption that high expenses of social life necessarily imply ignorance and dishonesty. According to this doctrine, Russia is twice as well governed as the United States, while Turkey is the best governed nation in the world and Australia the worst, since the taxation per capita in the United States is more than twice as great as in Russia, and in Australia it is $11\frac{1}{2}$ times as great as in Turkey. Upon the same reasoning a back-woods village with neither schools, side-walks, fire-department nor police force, is better governed than a large city with all modern improvements, because taxes are lower.

The truth is that large public expenditures, unless misappropriated, represent extensive public improvements and a higher civilization. Unless the *Sun* can show that the Republican Congress wasted public funds, and the *Press* prove that the taxes of New York and Boston were misappropriated by Democratic rule,

their "billion-dollar Congress" and "high per capita taxation" cries are mere campaign noise, of no more significance than torch-light processions or the yells of party conventions. The simple truth of the matter is that New York *has* a higher per capita tax than other cities. And the cause of it is the greater amount spent on public improvements (parks). Instead of being a matter for censure, this is a reason for commendation.

THE *Northern Light* of Tacoma is another well-meaning journal which heats in its journals. Diatribe, invective, imprecation, all the rich wicked, all the poor robbed, all workmen right, all capitalists wrong! But benighted friend, we wish the *world* well and not one part of it, and therefore we beg you to consider if your wild words were to be realized you would only get increased disorder, hatred, rivalry. One class which you chance to hate destroyed, and another class established. What would that improve? You would then hate the new class. Are not all men your concern as well as ours? Why advocate a general reversal of everything in such a cock-sure fashion? Are you quite certain that you know how to run a universe? With all his courage we doubt if this editor would trust his dauntless body on board an ocean steamer for Europe which was sailed by the crew instead of a navigator. But is not our human society as it stands far more complex and dangerous to tamper with in its immense machinery than an ocean steamer? To arrange and manage the human world on quite a new plan is a task that many might shrink from, but of course a *Northern Light* has no misgivings and is ready to take itself for a perpetual aurora upon the horizon of the future. But a false light is a wrecker.

THE GENERAL MONEY situation is a curious one. Everybody is alarmed and anticipates evil, and yet money is cheap and plenty everywhere. What is going to be frightens the soul of what is, and no one seems to have a clue. But is not our clue

the right one? Money including coin being only *representative* of value, it makes no difference where the gold is, so long as values remain intact. There is and will be no trouble unless it comes through a shrinkage of nominal values which have been over-estimated. One reads therefore with alarm that the Barings owe the Bank of England some five millions sterling, or twenty-five millions of dollars for which they have only South American securities to show. Those securities are quoted in the market at fair prices, but could not be sold at the quotations, and if they prove valueless, there will be a storm more or less violent. But that is the core of the financial question, and all the talk about money crops and Russian drain of gold and scarcity of gold anyway is a talk about ghosts. The only danger there is in ghosts is people's fear of them. They themselves are harmless.

Mr. Ashley in the *Popular Science Monthly* for July seems to have had a glimmer of this truth, reminding us of the view presented in the "Principles of Social Economics." He still however speaks of a money squeeze "as if there were a shrinkage of coin money during a panic, which of course is false. Values decline, and so private money in checks and drafts cannot be issued to the former extent, and thus comes the squeeze. It is in private checks and bills suddenly limited by decreased values.

"LIVING ISSUES," a Cincinnati Socialist paper, has come to the relief of the Farmers' Alliance with a new scheme for supplying everybody with plenty of money, that entirely eclipses the "Sub-Treasury Plan." It thinks the Pfeffer-Simpson 2½ plan "neither equitable nor just," because it only proposes to furnish money to those who have some kind of property, which is capitalistic. According to "*Living Issues*" a scheme to really benefit the people must make it just as easy for those to obtain money from government who have no property as for those who have—and it has discovered the way to do it. The new plan is to have

government advance money on children : and as people who have no property generally have a liberal supply of children, they are all pretty sure to get money. This scheme provides that all parents whose income is less than \$1,500 a year receive \$10 per month for each child attending school; and those whose income is less than \$1,000 receive \$12 per month for each child ; and those with an income less than \$500 a year, \$15 per month. It also calls for a liberal pension for women who have not an income above a certain limit, which unfortunately it did not fix. Thus it would relieve the labor market and increase wages. All that seems necessary to make this plan perfect is to provide a liberal pension for men also. Then the millenium would surely be reached, and competition, "that fiend of our civilization," forever disappear. What an ideal State that would be! It is to be hoped that Mr. Pfeffer will not fail to give this plan due consideration. As a Presidential vote-catcher the New York *Sun's* "billion dollar" invention would be nowhere in comparison.

WE call attention to the Prospectus of the Institute of Social Economics at the end of our magazine.

Correspondence.

To the Editor :

In my article on the "Economics of American Shipping," or shipping of our own, it was not intended to raise or settle, in the abstract, a question of the relative importance of manufactures and navigation. Nor was it meant to teach that we should prefer ships to factories in any sense. The theme was *American* shipping, hence the treatment was in particular, and not in general. But I have no objection to a blended view of the subject.

There may be maritime nations so situated and related that manufactures are vastly more important *to them* than shipping. Then, there may be empires, like Great Britain, that could not exist without shipping. Between these extremes may be found countries like the United States, that, in time of peace, with a high tariff, may be able to drag along in the rear of first, second, third or fourth-class nations without shipping of their own. In fact, that is the experiment we are gradually getting in shape to try. But peace is one thing and war is another and quite different thing. Economy may adjust the questions of peace, but it takes a higher science to settle the questions of war, i. e. *statesmanship*, which includes economy as mathematics does the rule of three.

I think the statesmanship of the founders of our government was wise, and well expressed by Mr. Jefferson, who classed our (then) four great divisions of industry in the following order: "AGRICULTURE, MANUFACTURES, COMMERCE, and NAVIGATION, and characterized them as the *four pillars of our prosperity*."

At that time we had but one ocean, the Atlantic, and one continent only, the European, as fields for commerce and navigation. Now we have the Atlantic Ocean at our left and the Pacific at our right, and all the continents and every island of the world as arenas for trade and transportation. What would JEFFERSON

say now to our unstatesman-like lack of preparation either for peace or war? with the prosperity of every interest of the Republic in jeopardy, by our employment of foreign shipping, merchants and underwriters? The fathers provided *four legs* for our chair of State. One has been knocked out and another loosened. Had the new seat been a *stool* with three legs only, perhaps we might have got along. That seems the assumption of the weak statesmanship that has let our rivals change our chair into a stool—a commonplace seat in time of peace. For war, *campstools* all have four legs. Since the Declaration of Independence, the ratio of war to peace has been *one year in seven*.

Our nation can have no career worthy of its origin, with navigation struck from its support in peace and war. In war this fourth "pillar of prosperity in peace" becomes the right arm of the national defence, and easily takes first place. The outer defence of the United States must be made at sea, by seamen. No enemy on the continent will ever stand before our arms ashore. But on the sea we are losing strength every day, absolutely as well as relatively. Men who can fight at sea, where will they come from in the day of battle? Not from the mountains and the plains. Men who can build and repair our ships, where will they be found when wanted? Not many in the factories and on the farms. One single naval architect and engineer, JOHN ERICSSON by name, did more to save the Union than all the factory operatives in the North. Who was it, in the war of 1812, that made it possible to whip the British from the great Lakes? HENRY ECKFORD and his shipwright workmen and apprentices from New York, that built a fleet on Lake Erie in a few months' time. Eckford, like Ericsson, came from a foreign country, to cast in his lot with a shipbuilding people, encouraged by our early navigation laws. Eckfords, Erricssons, Webbs and McKays, and stuff for naval heroes are not now coming to the United States, seeking a field for energy and skill.

No, there should be no choice of "pillars," nor any favorit-

ism for *factories* or *farms*. We need every national support that can be utilized. Just now it is urgent to repair the faults of our free shipping legislation, which has uncovered our works to the enemy's guns. A true Economy with a sound statesmanship will agree, if Agriculture deserves defence, and Manufactures are worth protection, that Commerce should be shielded and Navigation preserved, in the interest of our Nation.

WM. W. BATES.

Answers to Correspondents.

Question: Is there no limit to which the hours of labor may be reduced with benefit to the community?—*Fall River*.

Answer:—Yes, when to shorten the work-day ceases to produce better citizens and cheaper wealth. But so long as increasing the laborers' leisure stimulates their consumption and the use of better productive methods, shortening the work-day will be an economic and social gain. When we cannot replete the diminished product consequent upon reduced working time by improved methods or better location, we shall have reached the economic limit of reducing the working day. But whether eight or six or four hours a day will be that limit, experience only can determine. Bankers work but five already.

Question:—Will you please inform me who first stated the principle that profits are due to exceptional skill of management, or, as you state it, to the ability to make nature yield more for the same effort. Was it not our American economist, Francis A. Walker?—*Constant Reader*.

Answer:—No, Mr. Walker has done much to emphasize and popularize this view, but he did not originate it. The recognition of this principle dates back to the last century. It was distinctly affirmed as a principle of rent by Dr. James Anderson (a Scotchman) as early as 1777; and in 1815 it was again presented simultaneously by Mr. Edward West*1, and by Mal-

*1 Essay on the Application of the Capital to Land.

thus *1. In 1817 it was further elaborated by Ricardo *2, who made it the governing principle of his famous law of rent. Thirty-one years later (1848) John Stuart Mill extended the application of this principle to business profits, which he stated as follows :

"The value, therefore, of an article (meaning its natural, which is the same with its average value) is determined by the cost of that portion of the supply which is produced and brought to market at the greatest expense." ("Principles of Political Economy," Vol. II., p. 579.) "The extra gains which any producer or dealer obtains through superior talent for business, or superior business arrangements, are very much of a similar kind. If all his competitors had the same advantages, and used them, the benefit would be transferred to their customers, through the diminished value of the article; he only retains it for himself because he is able to bring his commodity to market at a lower cost, while its value is determined by a higher." (Ibid, pp. 586-7).

A quarter of a century later, Mr. Walker re-stated this theory with greater emphasis, but with practically no additions. While Mill regarded what he called the general rate of profit as entering into prices, Walker holds that interest enters into prices, which is in principle the same thing. Both are wrong, since interest like rent and profits comes out of surplus and does not enter into cost of production. The most therefore that can be said for Mr. Walker's contribution to this subject is that he gave popularity to it without eliminating the erroneous elements left in it by Mill, but he in no sense originated it.

Mr. Gunton has extended this principle to interest and wages*3, showing that rent, interest and profit all come from surplus, not entering into cost of production, and that wages (and salaries) are definite items in the cost of production ; thus giving a consistent body of economic doctrine.

*1: *An Inquiry into the Nature and Progress of rent.*

*2: *Principles of Political Economy and Taxation.*

*3: "*Principles of Social Economics*," pp. 206—219; *ibid.* pp. 237—248.

INSTITUTE OF SOCIAL ECONOMICS.

DAY AND EVENING SCHOOL
PREPARATORY TO BUSINESS AND CITIZENSHIP.

126 EAST 23^D STREET, NEW YORK.

GEORGE GUNTON, PRESIDENT.

JOHN HOLLEY CLARK, M. A., (Ex-Superintendent of Flushing Public School,) PRINCIPAL.

The Institute of Social Economics is now established. Its success during the first year of its existence has exceeded the most sanguine expectations. Being the first of its kind, it has had to mark out a new field of work, but the season's effort has shown the field to be ready, and in need of little labor to make it yield important results.

The Institute, which was the outcome of six years' lectures by Mr. Gunton, was opened in the first week of January, 1891. Its work consisted of evening class instruction in the principles of social economics with history and government; a course of free public lectures; and the publication of a monthly magazine—"The Social Economist." A class met every Tuesday and Friday evening from January 7th to June 12th. The interest manifested and progress made in social and economic studies as shown by the examinations, demonstrated at once the value and necessity of the work.

In the free lecture course, lectures were delivered on twenty-three successive Wednesday evenings, on popular political and economic questions. The appreciation of these lectures was shown by a large attendance and marked interest, which increased to the end.

"The Social Economist," whose first number was published March, 1891, also met with a generous reception from press and

public. It occupies a unique position in that it represents a new educational institution, teaching a distinct social and economic philosophy, a philosophy which shows wealth to be the chief instrument in advancing civilization, and that the true means of increasing and cheapening wealth for all, is the development of new desires and more complex social life among the masses. And although but four numbers have been issued, it has already acquired a recognized position in economic magazine literature.

The success accomplished in this short period, only shows how ripe the times are for a new departure in education, and especially in the direction of economic and political studies. It has been decided therefore to enlarge the work of the Institute of Social Economics by establishing both a Day and an Evening School and extending the curriculum so as to include cardinal branches of knowledge in business, economics and government, necessary to prepare students for participation in practical affairs. Our object is to teach nothing that is useless, but to give a thorough education in those branches most essential to a useful and important career. By combining a study of the principles of actual Business with those of Economics and Government we hope to put the students on the threshold of life, with such knowledge of the principles of industrial and political affairs as shall lay a foundation both for well-directed industrial activity and intelligent citizenship.

DAY SCHOOL.

CONDITIONS OF ADMISSION.

The Institute of Social Economics is open to both sexes on equal conditions.

It is desirable that applicants for admission should have completed an academic or high-school course. But the preparation insisted on, will be only a thorough knowledge of the subjects ordinarily pursued in the grammar-school. Diplomas of schools of recognized standing, certificates from principals, or other satisfactory credentials will be accepted in lieu of entrance examin-

ations. Applicants who cannot present such evidences of scholarship will be required to pass examination in Arithmetic, Geography, English Grammar and Composition, Spelling, and the principal events of United States History.

SESSIONS.

The school year will be divided into two terms of twenty weeks each. The first term will begin Monday, September 14th, 1891, and close Friday, February 5th, 1892. There will be a recess at the holidays from Thursday, December 24th until Monday, January 4th. The second term will begin February 8th, and close Friday, June 25th.

The daily session will begin at 9 o'clock A. M. and continue until 2.30 P. M., an intermission of one-half hour being allowed at noon for lunch.

COURSE OF STUDY.

The course of study, an outline of which is given below, will occupy one year, Instruction will be largely oral, but textbooks will be used so far as they secure economy of time and labor.

CURRICULUM.

JUNIOR TERM.

ACCOUNTS—Principles of Book-Keeping and their Application to Wholesale and Retail Business; one and one-half hours daily devoted to explanation and work under direction of teacher.

PENMANSHIP—Movement Exercises and Forms of Letters; one-half hour daily.

ARITHMETIC—Drills in accurate and rapid Application of Principles to Business Problems; one-half hour daily.

LANGUAGE—Rhetoric and Business Correspondence; three hours a week—Mondays, Wednesdays and Fridays.

COMMERCIAL LAW—Contracts, Negotiable Paper and Sales; two hours a week—Tuesdays and Thursdays.

SOCIAL ECONOMICS—Modern Industrial History (United States and English) three hours a week—Mondays, Wednesdays and Fridays.

Principles of Economics; two hours a week—Tuesdays and Thursdays.

SENIOR TERM.

ACCOUNTS—Application of Principles of Book-Keeping to Banking, Joint Stock Companies, Insurance, Transportation, etc.; one and one-half hours daily.

PENMANSHIP—Drills in Legibility and Speed; one-half hour daily.

LITERATURE—English and American Authors; one hour daily.

COMMERCIAL LAW—Common Carriers, Agency, Partnership, Corporations, Insurance, Banking, Real Estate, etc.; two hours a week—Tuesdays and Thursdays.

CIVIL GOVERNMENT—Principles of Government, and Forms and Methods of Government, Local, State and National; three hours a week—Mondays, Wednesdays and Fridays.

SOCIAL ECONOMICS—Industrial History (European) two hours a week—Tuesdays and Thursdays.

Principles of Economics and Practical Statesmanship; three hours a week—Mondays, Wednesdays and Fridays.

Tuition will be one hundred dollars annually, payable half-yearly in advance.

EVENING SCHOOL.

That persons who are occupied during the day may secure the same benefits offered by the day school, it has been decided to organize an evening school, with a course occupying two years. The evening school will open Monday, October 5th, 1891, and the first school year will end Friday, May 28th, 1892, with a holiday recess as in the day school. Sessions, two hours in length, from 7:30 to 9:30, will be held four evenings a week—Mondays, Tuesdays, Thursdays and Fridays. The first year in the evening school will include substantially the work of the first term of the day school, and the second year will include the second term's work.

Tuition will be twenty dollars a year, payable in two installments, one at the opening and the other at the middle of the school year.

Applications may be made at the Institute personally or by letter until the school opens. Office hours, from 9 A. M. to 4 P. M. daily. The Principal can be consulted Wednesdays and Saturdays from 11 A. M. to 4 P. M.

THE
SOCIAL ECONOMIST,
SEPTEMBER, 1891.

Machinery and Politics.

Madame de Stael used to say that politics were the greatest of pursuits, and perhaps it was her devotion to politics that led Napoleon to dislike her so intensely. He also thought highly of politics, and liked to have his own way in them too well to brook a critic and an intruder, especially if it were a woman. But woman though she were, Madame de Stael expressed the conviction of most men of affairs, who once concerned themselves with politics almost exclusively, and only in recent times have begun to devote themselves to industrial matters and the management of machinery. And by reason of the devotion of the ablest men to politics, it has come to pass that most history, so far written in the world, is a history of politics in the wide sense, since politics also include wars as part of the affairs of States. And therefore we have the story of mankind written in a theatrical pageantry of conflicts—"drum and trumpet history," as it is called—from the time of Adam down, as if there were no interest so weighty. And weighty it unquestionably is to a great degree, since the conquest of one people by another determines its progress thereafter. Yet less weighty is it than one at first thinks, since the "battles of kites and crows" are in no way of consequence to progress, and nine-tenths of the battles of mankind have been

equally resultless to civilization. The only thing important in the wars of Alexander the Great was his conquest of Greece, and the only thing of consequence in the wars of Cæsar was the battle of Pharsalia, which gave him primacy in Rome, whether for Rome's good or ill is still a contention. And real insignificance in like manner would probably attach to most of the vaunted battles of great chieftains, who have met and fought like bulls in a pasture field for the leadership of the herd whose welfare they confused with their own, being equally ignorant of the true welfare of both.

Now when politics have not been occupied with foreign wars they have nearly always been busy with domestic broils; the history of struggling factions and individuals to realize themselves and gain possession of the property of the State. The whole contention in every case, however disguised under the titles of patriotism, duty, virtue, public good, has in reality been a contention for the means of subsistence in one way or another. Nations fought to get possession of each other's territory, cities, war-gear and other property. Rival leaders in the same community plotted, schemed and killed for the same purpose of getting control of the resources of the State. Property was and is the ultimate object of the whole matter—whether it be the latest Frenchmen seeking to get the Rhine as a boundary, or the Southern Confederacy seeking to keep its property in slaves, or Balmaceda fighting for the government of Chili. In general it is always some Ahab plotting for Naboth's vineyard.

The noise and pomp of great affairs have concealed their real object even from the chief actors in them to the great loss of mankind. For if property had been earlier recognized to be the ultimate purpose of all conflict and all sovereignty, it seems likely that mankind would sooner have struck upon the expedient of trying to increase property by industry rather than by the plunder of each other. In that case, we might have had inventions in the place of battles, and factories in the place of feuds and fac-

tions, with a history of mankind something like a history of reasonable beings, rather than our existing chronicle of brigands on land and pirates at sea fighting to the death for the miserable subsistence which any one had managed to secure. Our great history then might have been of Carthage and commerce, instead of Rome and robbery.

But the origin of the human race in a family of animals rudely trained by nature to fight for what was, rather than to look for what might be, forbade any peaceful line of early development. The animal imagination was too dull and weak to see possibilities over the head of actualities, and to prefer the creation of goods to the capture of them. And so long as capture was likely to give more property to the powerful than creation, capture was recognized as the highest pursuit—since that which obtains most is always most admired. And since it is only within recent times that industry has become more profitable than either war or politics, it is only lately that industry has begun to be recognized as either so important or so honorable as the others. But its day is coming, indeed has already come in this country, and is on its rapid way in Europe also to general recognition and supremacy. It is indeed the day of the millionaire instead of the robber baron, the power of the capitalist instead of the military conqueror. And the change is immensely for the better—as much as production is better than plundering.

This advance is clearly throwing politics with its two pompous attendants, war and diplomacy, into the background to a wonderful degree. So that we already find in our own land, that politics are getting relegated as an occupation to an inferior class of men compared with those who formerly busied themselves about them. Only now and then does a man of distinctly superior fibre appear in political ranks or attempt to direct political movements. The great outcry of the press and the moralist is indeed that this is sadly the case; that now it is impossible for a man of genius, or of high social position, or of fine education to

succeed in politics. And it is bitterly averred that the change has come from corruption in political affairs and the degradation of social standards. Lamentations to this purpose are as plenty as after-dinner speeches, or as caucus harangues, and are received in perfect credence as true by the community.

But a truer view would be, not that society has become more corrupt than formerly, but that politics have been found to be so distinctly an inferior pursuit to commerce and industry, that they are left to inferior men. Superior men are able to do better in other callings which require larger capacity and more disciplined intelligence. For it is now felt, even if not yet seen or said, that politics can wag along somehow or other under imperfect guidance without serious detriment to the community, so long as wealth-producing interests are unhindered, and are managed by men of ability enough to make them succeed. In other words, the vital interest is transferred from the field of politics, where it never belonged, to the field of production, where it always was in reality. And so far we can call it a distinct progress for humanity—an important advance from the "sound and fury" of things to the heart of reality at the centre of things. For the centre of affairs, as we said, was always wealth, and when the interests of wealth-production are cared for, all other matters are sure to find themselves comparatively secure and well. But when property goes by the board, as in a devastating conflict—like the thirty years' war in Germany for example—all other things are ruined with it.

And so we see the people of Connecticut at the present moment tranquilly pursuing their affairs unconcerned, while the State Government is in dispute between rival parties, although half so much difficulty in commercial matters would convulse the population with distress and apprehension.

The retrograde development of politics is seen clearly in Europe, where more and more the great industrialist, who has made his millions, outshines and supplants the great general, statesman,

publicist, or what not in public regard. Some Baron Hirsch with his money and his liberality is able to buy up a Prince of Wales and other nobility. Some Rothschild with a few financiers is reckoned as the fourth estate of Europe, without whose consent no monarch can go to war, and no statesman arrange his finances. Here then we see plainly the gradual retirement of politics to the second or third place in matters of importance, and the usurpation of the first place by the crownless potentates of industry. And indeed they need no crown, since their power is sufficiently effective and stable without it.

Now what has placed the capitalist above the noble, and industry above politics, is machinery. To it is due that vast multiplication of wealth which has made mankind comfortable, free and intelligent, and released it from the grasp of the soldier and the diplomatist. Machines have done for man what armies and politics could never do. They have given him command of the resources of nature to such an extent, that he can get more out of her than he can get out of his fellow men. And so his attention has been distracted from his fellows, who could give him little, to nature, who could give him much, to the great advantage of all. And since, as we said, means of subsistence are the main object of every body at bottom, the interest of mankind has raised industry, which concerns production of wealth, above politics, which concern the distribution of wealth (as to who should have what there was), and changed the method of human endeavor so far.

And since politics have taken a back seat for reasons so substantial, it is useless to try to put them in front again. In front they never will be, because they do not deserve to be, and because they cannot support as many men in a healthy human condition as industry can. Government is indeed nothing, except as it helps the governed to live better than without it, that is more richly, and since industry can beat government out of sight in this capacity, why industry is sure to get the greater following.

How assured this position is, one may easily gather from the present state of politics among ourselves. Every year we have a great political convulsion, which might better be called a great quadrennial circus or festivity as to who shall be chosen to be our next President. Orators orate and caucuses gather, and conventions resolve, and the newspapers begin to froth, and the street and the market to bubble into discussion about the merits of platforms and persons, until a veritable gale of excitement seems to be sweeping over the land, threatening all institutions and principles with speedy destruction. Then one of the candidates is chosen and everybody relapses to their wonted pursuits with the utmost nonchalance, as if conscious that nothing vital has occurred, notwithstanding the outcry, and fully contented if only business may be good, and the average consumption of people go on as usual. But when a like convulsion overtakes the business world it is succeeded by a prolonged prostration which all our people feel to the outer circumference of their being, and lament with such ceaseless iteration as shows how deep the hurt goes, and how baneful are its consequences. In other words the things of politics are esteemed to be occasional and temporary, while the things of industry are constant and eternal.

Now we read from time to time labored and rebuking articles on the duty of good citizens to engage in politics. These rehearse the old and undisputed notions that politics are a patriotic duty calling for "consecration and purity and sacrifice," that "their present narrowness and partisanship and selfishness," are a dross to be purged away, leaving a pure gold of devotion to the nation's welfare. "Our present method breeds the cynicism that politics are a dirty business without hope of better to come," says Prof. R. E. Thompson lately at Plymouth. Prof. Thompson is an economist of the large school which imagines economics to be a special study secluded from society, as otherwise he might have spared his lamentation, seeing, what is quite certain, that it would be absolutely barren and resultless; and seeing besides

that its barrenness does not signify, since politics are taking a secondary place and falling into inferior hands, because something better is supplanting them, that better is industrial pursuits and the increase of wealth which is real well-being. The Swiss and the Scots defended their lean territories for ages valiantly, and retired to their poverty-stricken homes benefited by all their victories little in comparison with the benefits which factories and railroads have poured lavishly upon them in the last half century. So he is doing far more for his native land to-day who is superintending or advancing great industrial enterprises, than he who is drilling armies, or managing, as well as the elements permit, the party and the politics of his locality. He is producing something, whereas the politician is only conserving what is. The first adds to felicity, the second only keeps the peace, and what the inventor is to the policeman, *that* is the industrialist to the politician.

We are not saying that politics have no importance; we are only saying they have not the first importance. But we may go further and say, that devotion to industries rapidly tends to make mere politics insignificant. Industrial populations are of necessity peaceful, law-abiding and busy. They cannot concern themselves forever with the arid questions as to who shall be in, or who out, or whether the nation shall ally itself with Germany or France, or whether it shall annex Mexico or Canada, or leave them as they are. These noisy inutilities which a century ago might have fanned to flame the emotions of "patriots" and diplomatists, and bred costly and wasting wars, now blow light as zephyrs upon the national feeling, causing no ripple of interest. Premier Rudini may demand and fume at the head of his militant State, yet, though we have little defense of fleet and fort we shall only smile and think of bluster, as we go on our industrial way, since we are concerned with increased production, which like the magnetic mountain that drew all the nails out of Sinbad's ship, draws the Italians themselves out of their homes to

ours, and makes them friends because they cannot afford to be foes. The assured peace which politics have in vain tried to establish ever since the first anthropoids became men and brothers, hovers over the domains of the industrial, relegating politics to a small corner and crowning comfortable wealth in the place of quarrelsome princes. The Emperor William may set all London agog for a week, as did Buffalo Bill with his show, but the chimneys of Manchester and Birmingham are more important than England's relation to the Triple Alliance, or Lord Salisbury's permanence at Westminster. Lovers of pomp and ceremony and aristocracies may regret the change and still condemn "the mad race for wealth" of commercial eras, but we shall not join in their fulminations, seeing that the people are coming to great prosperity through the works of machinery, and the long tribulation of "the commons" from the days of the cave men to the present is passing slowly away, though with many a struggle and long-lingering misery.

Daily do machines multiply, and daily their power increases. The pace of invention is rapid, and each invention adds its own contribution to human well-being. And they who wish well for their kind will join the great army of those who are increasing the supplies of society, adding to its wealth, enjoyment, variety, and security, while lesser men are busy with politics, administrations, executives and majorities. It matters less how these go—the more production is increased.

So far we have advanced on the road to enthroning industry as supreme, that industrial questions are now dethroning political issues. They are themselves, as master, now using politicians as servants, and our new parties no longer discuss government and rights and jurisdictions, but inter-state commerce laws, free coinage, protection or free trade, banking or land and the like. Democrat and Republican are submerged in industrial issues. Our contentions are now as to wages, trusts and copy-rights. And these matters have shown the door to such old issues

as South and North, State rights, and United States rights, in which there was so much feeling and so little benefit. The reason is that machinery has made a community so rich and happy in the main, that its main intent is to be still richer and happier by adding to its goods—its means of pleasure, of long life, and domestic elevation. The great truth is now becoming visible in the whole human movement, that machinery which increases production is doing for the world what culture and colleges, churches and prayers, politics and diplomacies, patriots and soldiers, could never do. It is procuring for mankind a reasonable and improving existence wherein human faculties can be fully employed and human happiness finally assured. Of course all this seems very hum-drum and prosaic compared with the "pride and circumstance of glorious war," the procession of prelates, the magnificence of diplomats, the triumph of parties, and the romantic surroundings that attend all the rivalries and strifes for mastery in human affairs. A prize fight, a boat race, a great law suit are more stirring than the establishment of factories or the construction of a railroad. But for all that the latter are more excellent, and modern development opens the more excellent way. It substitutes for the annals of slaughter the olives of plenty. It looks to happy homes for its testimonials, and not to the thunders of artillery. It concerns itself with the prosperity of the masses, and not with the glory of a few, like generals and statesmen. And it aims at elevating the whole of mankind.

The Ethical Influence of Invention.

III

As to production, the facts given in the earlier part of this article must suffice. There can be no question in regard to this feature of the influence of inventions.

With inventions there came the discussions and agitations of England for the amelioration of the condition of operatives, resulting in less hours of labor, machinery guarded against accident, and all the beneficent laws for the elevation of British factory workers to plain men and women. This work is still incomplete, but is progressive.

The inevitable result of machinery, to enable man to secure a livelihood in less time than of old, is grand in itself, if none other had been secured. But this is not so much the effect of legislation as of changed conditions brought about by the use of inventions. It must be considered that as the time required to earn a living grows shorter, civilization grows up, and that any system which demands of a man all his time, or a great portion of it for the earning of mere subsistence is demoralizing in all respects.

It cannot be successfully denied that the direct influence of inventions has been felt in the three ways I have just outlined—the increase in wages (and by this I mean the increase in actual earnings in a given time),—the reduction of working time, and the decreased cost of articles of consumption, whereby wages are made more efficient.

Another exceedingly important influence which has grown from the division of labor by the use of machinery in production relates to the length of life and to the means of comfortable living. We are told that in the good old times there were not so many sick or feeble people as now. This is true, because they died. The feeble could not live under the old conditions; only the most robust and sturdiest physical natures could survive, and none

others were seen. To-day the presence of feeble men and women of advancing years does not show degeneracy of the race; they must be looked upon as a living glory of our civilization, which enables them to exist. It shows elevation of the race, and that now, under the conditions of life, as the result of all the various inventions which look to the comfortable existence of people, the comparatively feeble can not only live, but can, if they choose, support themselves in great measure; for feeble and dainty hands can perform work to which in the good old time only a giant would have been assigned. I need not specify the lines on which invention has perfected or established these conditions. They are too familiar to every one. In warm and comfortable clothing, in water-proof material, in heating and lighting, in a thousand ways, invention has carried with it comfortable conditions, increased health, and an increased longevity; for now the average life is at least 10 per cent. higher than in the olden time.

The beauty, the art, the enthusiasm, which belong to good morals can only grow to the wage receiver with a high order of employment and the division of labor, and with a high order of employment not only for profit, but for recreation—for art even. The age of inventions, or periods given to the development and practical adaptation of natural laws, raises all people coming under their influence to a higher intellectual level, to a more comprehensive understanding of the world's great march of progress.

Low grades of labor are constantly giving place to educated labor. The man who used to do the most detestable form of work is being displaced by the professional who superintends some device brought into use by invention; and the constant promotion of luxuries to the grade of necessities of life also marks the forward steps of civilization and positively demands the fullest play of the ingenuity of man to place them within reach. By invention, what were luxuries to one class are now the necessities of life to a class that might be considered below the line. The manufacturer often finds that he is obliged to sell for old metal the

grand mechanical construction of a decade ago. Old successes are constantly giving place to the new, which make old mechanical perfections bungling in our present sight, and they must be destroyed to give place to the new. An examination carried on in any direction demonstrates the proposition that all progress, every step in advance, is over apparent destruction, and, like the march of every pioneer who startles the world with his discoveries, and by them benefits his kind, is over the graves of men individually, or over their aspirations. Ignorance in men, as well as the man of ignorance, is in the way of progress, and must give way to intelligence.

As space and time have been overcome, inordinate differences in values have been overcome; the markets of the world have been equalized, sectional resources have become cosmopolitan in their character, as peoples of all the world have become acquainted. All these influences have disarranged trade, and upset old principles. We of the present time are living in a transition period of readjustment, or rather adjustment, that is like the early days of convalescence from fever,—painful from lingering weakness, but joyous in the full knowledge of progress. In this adjustment individuals go down. The divine plan to perfect all the creations which make up the universe takes no notice of individuals, and is apparently prodigal of human life; but goes on with the work, crushing if it need be, killing if it must, but always polishing, always purifying, always perfecting.

The wheel of progress rolls on, destroying the old as it rolls, crushing out ignorance; but it rolls all the time, and man is often obliged to give way before it, as the old machine is thrown aside for the new. Educated labor, as the pioneer, must step over human graves, over buried ambitions and lost opportunities; the law is infallible, even if in our short-sightedness we call it cruel.

All the benefits of the division of labor and the application of invention, like the reduction of working time, corresponding increase of wages, the decreased cost of production, etc., are

benefits particularly marked during the past century, and they have given to man a wonderfully enhanced power to command what rulers a century ago, with all the appointments of war and the adjuncts of unlimited exchequers, could not command. The individual profits, as well as his kind, which claims the reward of improved conditions. We can hardly realize that there should have ever been a time when a linen sheet was worth 32 days of common labor, and when a gridiron cost from 4 to 12 days of labor. Nor can we hardly comprehend the moral influence which has come in other directions. It is hard to understand that even within the memory of men now living the first change in the way of speed in transportation or in the interchange of intelligence came to the world. Prior to the generation which precedes the present, the fastest time that could be made was through the speed of man, or of horses, or of sailing vessels, except, perhaps, in the occasional transmission of intelligence by signals. Oddly as the purely economic changes seem to us, they yet strike us with much less marvel than the reflection that Cyrus, when he had turned the river Euphrates from its channel and captured the city of Babylon, could inform his associates at home of his feat as quickly as could Washington the American Congress of the defeat of Cornwallis; or that Alexander after the battle of Arbela, could send the news of his great victory for civilization to his capital in the same time it took Jackson to inform the government of the United States that the British army had surrendered to him at New Orleans, by which he won the already granted peace for this country.

It has been reserved for the age of machinery, and for machinery itself, to cure the difficulties in the way of national and grand movements, which beset the governments existing back of this epoch, and now the great engineering enterprises of the day are being developed, and are thus solving the problem of how to relieve congested cities and of how to give to the wage worker, who must save time as between his lodging and his work, the

benefit of healthful surroundings in the country. Rapid transit, through the application of electricity to street cars in the city of Boston within a few months, has added one-half hour of the day to the working man's available time. This is the result of invention, and has a moral influence, for it betters his condition, helps him to a higher plane, facilitates social intercourse, and in every way gives him better opportunities for enjoying all that belongs to his environment.

These grand movements are the movements of great communities, but by inventive skill, by the application of ingenuity, the gain to the individual has been exceedingly marked, and perhaps in a more specific way than to communities at large.

To create is the province of the Omnipotent. The second great attribute, through the agencies established by Omnipotence, is to develop, and this allies man to his Creator. Can such a thought be illustrated by figures? Most surely; for educational labor, with applied natural forces, has developed a pound of cotton costing 13 cents into muslin which sells for 80 cents; into chintz which sells for \$4. It has developed 75 cents worth of common iron ore into \$5 worth of bar iron; \$10 worth of horse shoes; \$180 worth of table knives; \$6,800 worth of fine needles; \$29,480 worth of shirt buttons; \$200,000 worth of watch springs; \$400,000 worth of hair springs, and \$2,500,000 worth of pallet arbors (c). Intelligent, skilled labor, with its product of mind, has accomplished this, and the individual, as well as the State, has profited by the development. Under such development a common man can ride to his work or upon his travels in palaces that would have been the envy of kings, and he can send the word of his arrival with a flash. He has learned that as the wants of a free people increase so also do their means of supply, and that "contentment with one's lot is the virtue of the subjects of a despotically governed and non-progressive state, and self-denial the virtue of a poor and unprosperous people;" and he has learned too, that the ranks of the skilled and intelligent workmen are not

thinned by the workhouse and the penitentiary, but that the ranks of ignorant labor are prolific in stocking such institutions. He will learn in the future that diversity of employment, and the consequent practical versatility if his talents, will enable him to secure the essentials of life in a few hours, and that he can swell his income by artistic employment so as to command articles otherwise denied him.

The inevitable result, as it seems to me to be, is, that while we shall always have the unfortunate with us, made so from a variety of causes, all this will be palliated to a large degree by the capacity to use inventions to not only employ one's time, when enfeebled, upon profitable work, but also to bring with such employment corresponding joy.

The common man has learned furthermore, or he will learn, that the sacredness of private property lies in the fundamental principle or instinct of self-preservation—in fact that private property finds its institution in this instinct; for property is the means by which not only is self preserved, but by which species may be perpetuated. His experience with invention teaches him this, and that from a rude instrument of toil he has become an intelligent exponent of hidden laws; that he is not simply an animal, wanting an animal's contentment, but that he is something more, and wants the contentment which belongs to the best environments. To accomplish these things it is desirable to increase his ability to consume, and this is done by improving his physical and moral conditions. So the nearer we get to the point where a man shall have control of mechanical powers, thereby simplifying muscular motions, the quicker will be his physical condition improved—not his mere muscular strength developed, but his sound physical condition—for the higher will be the efficiency of his mere muscular labor, and it is certainly true that the higher physical condition begets the better moral condition.

Every machine that is invented marks some progress in a useful art; it accomplishes some useful end not before attained, or

it does some old work better and cheaper. It makes more valuable the day's work of an operative. "The man who rides the mowing machine all day should get more than the man who swings the scythe; and the weaver in the cotton mill should get more than the weaver at a hand loom; partly because labor is a unit as well as capital, partly because some machinery must be very skillfully, and all of it very carefully used, and partly because so much more grass is cut and so much more cloth is made. The advantage of machinery should not belong exclusively to capital," and civilization must see to it that the advantages of inventions are equitably adjusted.

The argument that the use of machinery brings into industrial work an ignorant class of workers is often made by men who see in machinery the arch enemy of the mechanic. The argument is entirely baseless. There is no more ignorance in the world on account of inventions, but by their perfections an ignorant class can often do perfectly what an intelligent class used to bungle over, and at the same time the intelligence of the ignorant is raised. The ignorant laborer of to-day is, in all that makes up condition, more than the peer of the true skilled workman of a few generations ago; and the fact that as the country increases in wealth, the numbers employed in miscellaneous industries and what Mr. Wells calls incorporeal functions, (that is as artists, teachers, and others who minister to taste and comfort in a way that can hardly be called material), increase disproportionately to those engaged in the production of the great staples, answers the idea that inventions foster ignorance in production. Inventions have, indeed, superinduced the congregation of ignorant laborers, and thereby given one appearance of creating ignorant labor.

Phillips Bevan, of England, writing in 1877 of the industrial classes of his country, remarked that "few people are aware of the immense development of the last twenty-five years found in the condition for the better of English operatives especially, whether in a monetary, social, educational, sanitary, or legislative

light. It is very doubtful whether the bulk of the workingmen themselves take heed of the strides they have made, or of how little they have to lament that the 'good old times' are past and gone;" and Mr. Bevan might have added, that in most of the directions named by him, invention had been the cause, for it was not until the factory system was thoroughly fixed as the industrial system of England, that the Parliament of England began to make changes looking to the education of the masses.

What a commentary is this hardly won development upon the fantastical and pernicious sentiment, with which the pessimistic philosopher calls up ages and conditions from which it is the greatest of blessings that we have been wholly delivered!

In art directions the development has been as great as in the purely mechanical field; for, by the aid of mechanical powers, the work of our artisans is rapidly making the taste of the people artistic, since trained and inventive skill, as exhibited in machinery, puts art into wood and metal, showing "the highest discipline of the mental faculties, the direction and the subordination of all its manifestations for some clearly-defined purpose." Every step marks some progress in industrial art. The stove manufacturer, in order to meet the demands of the common people, in the production of his goods must secure the services of an artist, that the design of the kitchen or the parlor stove shall not offend the artistic eye.

The ethical influence of the more modern system has been marked indeed, and especially in our own country, for the American workman demands, as a necessity, the culture to be gained by reading, music, and the lyceum, and from his moral and educational standpoint he participates in the Government, and has raised from his ranks some of our very best and most revered Chief Magistrates, State and National, and he will demand in the future, general admission to the ranks of the aristocracy of mind, where his name even now occupies so bright a place.

The development resulting from the influence of inventions

has reached the economic side of industry, and this economic side, as it is better understood by our workingmen, will bring about truer and happier industrial relations. At present the manufacturing world is often disturbed by a succession of strikes and labor controversies. Let us not, indeed, make the mistake of assigning the cause of such strikes and controversies to retrogression, or to supposed increasing antagonism, or to any anarchistic desire to destroy or in any way abridge the grand results of the past developments. On the other hand think for a moment that the man who works for wages has been taught to realize the conditions of a higher civilization; has been taught to appreciate, understand, and desire still greater mental, moral, and social progress. He has been taught, and through invention enabled, to enjoy art, and music, and literature; to understand that he is one of the sovereigns of the land; that he is a political and a moral factor, and with all this he finds he still keeps the position of a wage receiver in enterprises in which his skill, as well as his hand, is a necessity. The honest and intelligent workman, so far as he is engaged in the controversies of the day, is the conservator of all the required forces of industry, but he seeks in this conservation to become more closely allied to the factor of capital, which without him is dead material. He begins to see that while he has outgrown, through the aid of inventions, the purely physiological relations which labor bears to production, that is, the position of the animal, he now furnishes the developed mental qualities of the man, and seeing this he vitalizes the material side of production, which is capital. He therefore asks that he may become more closely associated with capital in the great productive enterprises of the day, and also secure a more just share of the benefits arising from the use of machinery than now falls to him. How a new system shall be established, with perfect justice to capital and labor, recognizing the moral forces at work contemporaneously with the industrial, is the problem of the age. I feel so sure that this problem will be solved on the

broadest business basis, through the practical application of the moral principles of co-operative work, that I have little anxiety for the industrial future of the country. I know no one element can come in as a panacea for ills, but I feel morally certain that a combination of elements can be so applied, and will be so applied, as to relieve industry of its present apparent warfare. Progress has been so rapid that we fail to see the intelligence underlying the industrial controversies. Ignorance, selfishness, and maybe dishonesty are all interwoven with intelligence, and sometimes so closely, that it seems as if the unhappy conditions subordinated those of intelligence, and this leads many to think that mechanical development has reached such a point that it is safe, and they have the courage to declare that we have arrived at the end of the *regime* of machinery; so, indeed, we have, but it is the first end, and not the end they would have it, which really would mean retrogression.

The development must go on. The future of the achievements of inventive genius, in the mechanical, chemical and other sciences is bright indeed, and holds out to humanity its best boons and most munificent endowments, not only in moral and industrial directions, but in a better, and a greater, and a more equal diffusion of wealth, and all that wealth means. Machinery is young; in fact, it is only the forerunner of great undiscovered wonders which will make the inventions of the past seem like toys thrown away, as childhood steps into manliness through growth, through strength, and through perfection, which in itself is weakness as compared with the perfection of the invisible power, the manifestation of whose presence constantly reminds us that the future holds the golden age, and not the past.

CARROLL D. WRIGHT.

Public Obstruction to Industrial Progress.

Whoever is at all familiar with the newspaper and periodical literature of the day must have noticed that, running through nearly all of it, there is an element of marked unfriendliness, becoming oftentimes a fierce hostility, to the principles and methods of our industrial progress and to the men that are largely promoting it. That the organs of Socialists, Nationalists, the Farmers' Alliance people, *et id omne genus*, should be strongly characterized by this unfriendly feeling is not to be wondered at, since their constituents are radically opposed to some one or more of the essential principles of the competitive system; but that such representative journals as the *Boston Herald* and *Springfield Republican*, the *New York Times* and *Evening Post*, the *Chicago Tribune*, *Louisville Journal* and *St. Louis Republican*, whose spirit and purposes are far from revolutionary, should also play a leading part in this kind of business obstructiveness, is in a way surprising. For example, when recently the question of granting the New York Elevated Railroad Company the right to make much needed improvements in its terminal facilities was under discussion, almost the entire city press broke out in a chorus of denunciation of it, not because of any real opposition to the proposition, but because it was asked by a rich corporation. And when a few years ago, the New York Central Railroad Company offered to construct for the city a rapid transit system from 42d Street to the foot of Broadway, the proposition was so ungenerously and unjustly treated that it was speedily and indignantly withdrawn.

By the concentration of capital in the carrying trade of this country, its wealth has been increased and cheapened, and distributed to all its inhabitants to a far greater extent and in a much more equitable manner than could have been possible by any other method. It is not true therefore that these great corporations have enriched themselves at the expense of the commu-

nity. Whether they have been selfish or benevolent in their intentions, the results of their efforts have been beneficial.

The railroad system which they devised and administered was organized in accordance with the law of the interdependence of individuals and classes in society, and hence they could not make through it their own fortunes without adding at the same time something at least to the fortunes of everybody. What they deserve on the whole, therefore, from their fellow-countrymen is not curses, but blessings, and a good many of them.

What then are the reasons for this general and persistent abuse in the public press of everything—as well as everybody—having any vital connection with the present business system? One reason, doubtless, is the ignorance and inexperience of most of its authors, and their consequent inability to treat the system fairly. As it is not understood by them in all its parts and relations, they cannot draw the distinction which always should be drawn between its legitimate results, and the evils which flow from its perverted action. The marked differences which it produces in the situations and fortunes of the members of the industrial community seem both unnecessary and unjust to the minds of the great majority of those members. That an ordinary day laborer should really believe that all capitalists are thieves and robbers is not surprising, for he reads in his trade journal that "labor produces everything," and that of right everything should belong to the laborers. Would it be his fault if one of these days he is caught acting in accordance with this instruction?

In this time of increasing knowledge and in this land of abounding freedom, no man is fit to be the editor even of a trade journal who does not know that labor does not produce everything, and that all capitalists are not thieves and robbers. The fact is that, under existing economic conditions, the profits of the capitalist are not drawn from the incomes of the laboring classes. They are, instead, a surplus which can be produced only when the forces of nature that work for nothing are utilized by superior

instruments and methods. They come, if they come at all, directly from nature as a reward for such superiority, and are not a result of the spoliation of any class in society. Hence nobody is really the poorer for the immense fortunes that many capitalists are now acquiring, but all are richer. Unless the particular business of each one of these capitalists is so carried on, that it can draw from nature more wealth than is required for its expenses, including the full cost of labor, there can be no surplus, no profits for anybody. How foolish therefore, as well as mischievous, are the lamentations of social reformers over the rapid increase of a millionaire class in our democratic community ! The more millionaires, the more wealth for everybody, if they are the legitimate product of economic conditions.

But it is not the attacks upon this system of those who are ignorant of its nature, or of those who are honestly and more or less intelligently opposed to its character, that are calculated to do it the most harm ; it is rather the dishonest and dishonorable attacks upon it of those who really believe in it, and yet, who are ready, *for some reason dear to them*, to conceal their belief and to join with its enemies in an assault on some one or more of its essential parts. Probably four-fifths of our newspapers and periodicals are really in favor of the present system—in favor, i. e., among other things, of the concentration of capital, the organization of labor, and the private instead of the public ownership and control of the instruments of production ; but what, nevertheless, are nearly all of these papers doing ? Like Mr. Lowell's *Ensign Stebbins*, who believed in the Maine Law, but was "agin its enforcement," these papers believe in the existing order of society, but they are opposed to the practical enforcement of its economic laws, the instant this begins to interfere with their own desires and theories.

Look first at the attitude of the free-trade portion of these papers towards trusts and trade unions, and some of the more recent phases of the socialistic movement. Trusts, as is very well

known, are the last and best expression of the principle of the combination of capital; and they exist in *free-trade* England as in *protected* America. Their purpose and tendency is to cheapen the production of wealth, and to render it more available for everybody, by saving expenses, and so increasing the productive power of capital. In like manner, trades unions are the best representatives, under existing circumstances, of the application of this same principle of combination, to labor. Their purpose and tendency is to increase the laborer's wages, and to advance him steadily in the social scale. The true standard by which to judge all social institutions is their influence on the public welfare; but nothing can promote the public welfare which does not either reduce the prices of commodities, or otherwise raise the laborer's wages. On the principle that cost of labor is high or low according to the simplicity or complexity of the social environment, it follows that whatever increases the laborer's social opportunities—whatever forces him into more frequent contact with an increasing variety of social influences—must necessarily tend to increase his wages; and this is precisely what the trades unions are now doing.

But there is a strong and unreasoning prejudice in the community against both trusts and trades unions. Trusts are declared to be crushing monopolies designed and managed for the sole purpose of *increasing* instead of *decreasing* prices. Trades unions are regarded as contrary to natural law and subversive of personal liberty and corporate rights. It is denied that they can do anything to increase the laborer's wages or to improve his social condition. Seeing therefore its opportunity, and being far more strongly opposed to the protective policy than it is attached to either of these institutions, the whole free-trade press of the country is enlisted in the war against them. Taking advantage of the popular hostility, and insinuating that they are both the pestiferous progeny of the policy of protection, its able editors are continually saying the falsest and meanest things about them, with the

hope and expectation that the free-trade party will in this way be benefited. Let the reader recall, if he can, a single word that he has ever read in a free-trade newspaper in defense of either trusts or trades unions, any leading article that was manifestly written in deprecation of the wide-spread misapprehension concerning their character and influence. The editors of these papers are not fools; they stand with the best educated and most respected in the land. They must know, therefore, that a walking delegate is not necessarily a man to be hooted at and plastered with opprobrious epithets, or a Standard Oil President a person to be vilified always and stigmatized as an enemy to his country.

The complicity of the free-trade newspapers with some of the socialistic movements of the day is not quite so obvious, but it is just as real. The fundamental principle of socialism is the public instead of the private ownership and control of all the instruments of production. It is the principle that lies at the bottom of Nationalism, the Farmers' Alliance, and the new People's Party. Of course the free-trade party has no *true* sympathy with those who are trying to put all our industries under the control of the government; for the fundamental principle of free-tradism is *laissez faire*, the direct opposite to socialism. But its newspaper editors perceive that nearly all the leaders of the socialistic parties which have been named are strong free-traders, and that they can be made to help on the propagation of free-trade ideas. They also perceive that the Farmers' Alliance and People's Party movements are apparently drawing more recruits from the Republican than from the Democratic party, and as the Republican party stands for protection in national politics, they are desirous of depleting its membership as much and as rapidly as possible. So, in spite of their grave heresies on the land question, the dignified editor of the *New York Times* may now be seen almost any morning engaged in a lively flirtation with the Henry George people, and notwithstanding the huge assortment of malodorous opinions concerning land and money and railroads

and telegraphs, the rights of people and the functions of the general government which the Farmers' Alliance and People's Party crowd are taking along with them, the immaculate editor of the *Evening Post*—*mirabile dictu*—is smiling sweetly every evening upon the parti-colored members of this crowd, and praising, though with bated breath, their strong and manly and generally wholesome appearance.

It must however be admitted that the disgrace of this kind of business obstructiveness is not confined to the free-trade press. The organs of the protective party are also guilty of it. When, a few months ago, the McKinley tariff was before the country for approval or rejection, the strongest argument urged in its favor by all protectionist journals was, *that it would raise the laborer's wages*. The columns of these journals were filled from day to day with glowing predictions of the good times that were coming to everybody through the beneficent workings of this tariff, coupled with the most solemn promises that the managers of all protected industries would share with their workmen the expected increase in their profits. But were the editors of these papers entirely sincere when they made these promises? Were they not aware at the time that capitalists do not raise wages simply because their profits are increasing? Did they not then know that it is a fundamental principle of the prevailing school of Political Economy that "the rate of profits depends upon wages,—rising as wages fall, and falling as wages rise"? Ever since Adam Smith put forth this false doctrine the capitalistic class, no matter whether its individual members have been protectionists or free-traders, has steadily resisted all efforts for the increase of wages, and it will continue to do so just so long as it believes that profits can rise only as wages fall.

Meanwhile the papers which represent the protective portion of the capitalistic class will continue to be filled, as they are now, with false and bitter statements about the trades unions, and all the special measures and movements in which the laboring people

are interested and engaged. In this respect there is not much to be said in their favor when compared with the papers of the free-trade party. The members of the trades unions know this, and, therefore, it is not very likely that they will give much heed to what these papers may say in the way of seductive promises about wages or anything else; for, believing as they do (though wrongfully) that profits and wages can never rise together, they are strong in their determination to secure for themselves a larger share of the wealth of their employers. Hence there is constant antagonism between capital and labor growing out of this mutual misunderstanding of their exact relations. And this antagonism will also continue so long as the people are taught that the wealth of the capitalists represents the poverty of the laborers.

It seems, then, in view of what has now been said, that our present industrial system has more to fear from the mistakes and sins of its reputed friends than from the direct attacks of its avowed enemies. There is no good reason why this system, if it be clearly apprehended and wisely managed, should not work out, in a reasonable length of time, the economic adjustment of the entire community. But in order that it may do this, there must, for one thing, be a radical change regarding it, in the attitude and utterances of the organs which represent it. To call attention to this fact was the motive of this article.

HENRY POWERS.

Nautical Pursuits and National Progress.

Substantial progress comes of a contest with nature. Gaining wealth and knowledge means conquering its forces. Through agriculture and the mechanic arts; by mining, metal working and manufacturing; by engineering, *shipbuilding and navigation*; by commerce, transportation and telegraphy; in short, through and by a practical knowledge of the secrets of the universe, lies the true, the only way to national progress.

Among the arts, the skill of man has many monuments, but one masterpiece, wonderful in adaptation, capital in utility, surpassing in ascendancy, and that is the *ocean ship*; at once an object of life and beauty, an engine of pride and power, and the arm of empire over sea and land. Shipbuilding is, indeed, the crowning glory of constructive art. If we question this, think for a moment what the world would be without vessels to-day! Take into account the pursuits cut off; the resources forfeited; the wants unsupplied; and what would be lost to our race, its progress, civilization and philanthropy, to the employments of men, the increase of wealth, and the power of nations, if ships and steamers were no more, because shipbuilding had passed away. Shipbuilding and navigation have conquered for man two-thirds of the globe. Without these trades, the Dark Ages might yet return, for the arts of peace came in with commerce, and have flourished on nautical and commercial life. They have never otherwise succeeded. Science gained but small advances while the deep was unexplored. Grim-visaged war held high carnival on land, until bold and heroic minds spent their forces on the sea.

While shipbuilding was rudimental it cut no figure in any land. The pole, the paddle, and the oar had little influence on savage or barbarous life. *Sail* was the first *power*, and sailing vessels *the first machines*, that gave to maritime men love of distinction and the wish for wealth; motives for invention and spirit for

new pursuits; opportunity for knowledge and the means of spreading it. But the art of sailing was long in learning. Before the use of the compass little was accomplished. Improvements in rigging and sails followed; then oblique sailing. Longer voyages were undertaken, but there was yet no rivalry to quicken national pride, and no "sceptre of the sea" in sight. The art of sailing made but passable progress down to four hundred years ago, when Columbus crossed the Atlantic Ocean and landed on our Indian coast. Indeed, the time of tolerable shipping dates no further back than two hundred and forty years ago, when the British enacted their "navigation laws," intending by the protection of nautical and commercial enterprises, and the cultivation of ship-building skill, to prepare the world for their naval rule. Commerce had been free, and Holland had disclosed its magic power to stimulate the growth and increase the strength of nations, through the use of ships. Britain's timely legislation and effective naval work gave her the lead. For two centuries or more, she has shown the way in nautical pursuits and national progress. In extension of language, laws, and institutions, she has excelled all other nations. The simple principle of this achievement has been *the policy of protection*, which first gave her merchant fleets, built by her own mechanics, and manned by her own seamen; and then a navy that cleared the seas of her rivals. In one form or another that policy still prevails.

Following the discovery of Columbus, the nautical nations of Europe, Holland, France, Spain, Portugal, and Great Britain, attempted colonization on a grand scale. Of them all, the first to see that colonies could be planted, possessed and held by ships, as by no other force, or course, was England. Experience had taught her, that if she had the ships, she could take her choice of lands and climes, of races and of nations, to sow the seeds of toil and gather wealth for her own enrichment. With ships on every sea, to control the lines of trade, she could command the commerce of the world, and rule the world itself. *Possession of ships confers*

a *peculiar power*. Merchant fleets are but navies needing guns. By traffic they seize the sea in time of peace. By cruising, blockade, and battle, they hold and conquer sea and land in time of war. At all times, their success wins wealth, their victory gains power. Foreign merchants may be friendly and their ships of use, yet, are they not adversaries living by encroachment?—busied in bringing less than they carry away? The mechanics who build foreign fleets, and the mariners who sail them, *act for their nation* in a *military* as well as civil character. Their trade is their drill. Their daily work is a running engagement. The merchant's busy life is but a campaign. He accumulates wealth; but, *for his King and country*, this is power, and a sinew of war. Alien merchants and foreign ships carrying on another nation's trade may achieve more than the occupation of its wharves and stores, and the government of its ports.

Nations that take and keep the sea develop military, as well as civil, prowess. Ships are weapons for war, no less than tools for trade. Not only are they platforms for guns, but ramparts and fortresses. Their decks are parts of the national domain. Their flags cover the seas they sail. They are the outworks, fortifications and champions of a nation. Our second war with England was mainly fought by ships. Our Union was preserved by ships. The national life and safety cannot be secured, except by ships, and those *our own*. The *power to build and sail* is in itself a pillar of independence. It was different in the olden time. Then the armies of tyrants trampled liberty down. Henceforth it may be navies that shall subjugate the weak. The ocean is even now the threatened arena for military triumphs. Tremendous conflicts on the sea are yet to come. Philanthropists may cry Peace! Peace! but Britain's ascendancy, and her menacing rivalry, make for war and conquest. Since this nation became a naval power, she has had more wars than any other two on the globe. Intoxicated with success at sea, she already thinks herself the sovereign of ship and shore. The four nations, who, single-

handed, would dare become her enemies, in tonnage, and consequently in *seamen*, compare with her as follows :

PROPORTION OF THE WORLD'S TONNAGE UNDER THE FLAGS
OF FIVE NATIONS.

FLAG.	Percentage of Steam Tonnage.	Percentage of Sail Tonnage.	Percentage of Total Tonnage.
British,	63.4	36.6	52.34
American,	03.9	14.2	8.22
French,	06.2	02.6	4.71
German,	07.1	06.9	7.07
Russian,	01.2	02.9	1.92
The 4 nations,	18.6	26.7	22.01

What a sorry showing is here for freedom ! Not only have we lost our ships, our *seamen* and our prestige, but, apparently, wisdom and courage. Already, we dare not say our *seal* is our own. We are doing *nothing* towards "rehabilitating our merchant marine." France, Germany, and even Russia, are trying hard to keep their footing on the sea. For this, ships and *seamen* are indispensable. "Subsidies" and "bounties" are applied by every European nation, and all are making warlike preparation, with Britain in the lead. Shipbuilding and cannon-forging go on together. The drilling of troops and the training of *seamen* take place at the same time.

In America there is lethargy on every hand. We look idly on, as if a vain procession were passing by. In twelve years' time we have lost 42 per cent. of ships and *seamen* in our *unprotected* foreign trade. Our average loss has been 55,107 tons yearly; 4,592 tons monthly, and 1,059 tons weekly. Bad advice has ruled our inactivity. Britain wishes us to renounce the sea. We have listened to her specious doctrines, as to the "survival of the fittest," and the "destiny of the cheapest." With some of our people these dogmas are regarded as natural law. Applied to our ships, they mean the monopoly of commerce for the British flag. The abrogation of our "navigation laws," so often urged

in House and Senate, expresses nothing so much as British anxiety for the *ruin* of shipbuilding in the United States. The clamor in the daily press, for "free ships" means freedom, not so much for Americans to buy, as for Englishmen to *sell* and sail. British objection to American shipbuilding has always existed. A British king once ordered, that "no vessels, other than *sloops*, shall be built in the North American colonies." Now it is argued, that ships are mere "vehicles of commerce" and common articles of trade. This was not the British teaching when Spain and Holland held the main. Then, the Admiralty imported shipwrights instead of ships. Nor was shipping dependence the lesson of the fathers, who provided protection for the building up of our early marine. But the time never was, nor is it now, when ships and steamers can be compared with carts or carriages; or shipwrights, engineers, and seamen be matched with wheelwrights, teamsters, and laborers. *Ships*, and the *men* who build and run them, are *essential to national progress*. No maritime nation can achieve greatness, or preserve freedom, without them. Commercial independence and naval power spring from shipbuilding. No nation in Europe is neglecting, but all are cherishing this stalwart art. Great Britain has set the example of this preference.

The building of ships and steamers excites the energies of whole communities. We shall search in vain for a physical employment better adapted than shipbuilding is, to arouse the emotions of men; to lift up, broaden out, and enlarge the minds of nations. It develops community of interest and ambition, nationality of pride and patriotism. It is grand to think of the objects and purposes of the ocean ship; to reflect on the service which she renders to man, and the prestige and progress which accompanies that service; but it is inglorious, and disgraceful, to propose that the character and power instinctively accorded to shipbuilding nations be cast out of one's own country, to the advantage of its rival and foe. It is a matter of *economy*, and it should be a subject of *pride*, to build our own ships.

Shipbuilding is a test of manliness. It is because the well-built ship is a trial of the finite with the infinite, a measuring of man's capacity with the omnipotence of Deity, that we glory in the thought of her construction. It is because of its workmanship and skill—a mechanical wonder, built to ride the seas and defy the ocean and its angry waves—that we laud and cheer the launching ship. The forces of the mighty deep sometimes exhibit stupendous power. At sea the largest ships, thousands of tons in weight, tossed like floating corks, may be wrecked like futile hopes. It is because ocean navigation is a strife with the genius of infinitude, that steamships have furnished the most triumphant exhibitions of courage and intelligence. Only the bravest of mankind make intrepid seamen. The skill exhibited in building ships, and the prowess developed by sailing them, fitly supplement each other, and crown these employments with lasting advantage. For *our own*, as well as other nations, the Creator has made the trackless sea a grand highway for commerce and communication, a fitting field for glorious enterprise, for noble achievement and matchless progress. Navigation arouses even the dullest minds. It changes habits, feelings, and associations, and, for multitudes, improves their faculties and affections. For numbers, it ravel's out and knits anew the texture of their social and moral being. For many, it breaks up the fountains of their inner nature, and recasts their characters in higher and manlier types. To the patriotic mind, the utility of navigation seems incalculable to our people. If we inspect our national domain, with its coast line long enough to unite the poles, with half the harbors of the New World, and double the number of ports belonging to any other nation, having now the greatest productive power of any land, and the largest *per capita* commerce, foreign and domestic; we shall seek in vain for any physical or social reason for giving up the sea, as giving it up for years past has been the order of the day, enforced by our rivals.

If Providence has not devolved upon our nation a high

responsibility for meliorating and improving, not only our own condition, but the modes of mankind, by extending through nautical enterprises the blessings of our institutions, then all rational signs fail signally to denote the paramount object of our national life. It is only by asserting and maintaining *equality on the sea*, that we shall be able to exert due influence throughout the world. To fail in this, by suffering our flag to sink, is such a dereliction of duty, and such a humbling of pride, that the respect of men will never rest upon it. This question is not of moment only to a plaintive few, who may happen to own shipping. It is a subject of serious concern to all our people. Shipping renders a *public*, and not a private service. *Individuals make the nation. Public prosperity and national progress spring from the well-paid industry and sterling virtues of private citizens.* A MARINE IS A NATIONAL NECESSITY. All the people, and not merely shipowners, are interested in it, and in having it of our own. We want it, because it is a highly productive and wealth-saving machine; a mainstay of social progress, of prosperity and power. The marine is an arm of the navy. The navy is our maritime defense. In short, a wise *public policy* demands a marine of our own, as agriculture of our own, as manufactures of our own, as commerce of our own; wherefore, it is the duty of the government to encourage, protect, and maintain it.

In his farewell address Washington said :

"There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation of *weakness*. If we desire to avoid insult, we must be able to repel it; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times prepared for war."

Now, what is our reputation as to the sea? Have we any real or considerable power there for the security of peace? Compared with our strength on land, are we not disgracefully weak at cannon-shot from shore? And yet, it is proposed—the measure

is always before Congress—to reduce our weakness to impotence—to paralyze entirely our power to build ships, as well as to sail them at a profit. This proposal is the logical outcome of British desire and American indifference. In 1828, we cut off, and have refused since to extend, protection to our marine in *foreign* trade. This, too, was by British intimation. For more than sixty years we have fought our rivals unsupported, defensively, and disastrously. Our statesmen have looked on content, if not satisfied, to see our shipyards close and decay, our nautical rank and power lose ground every day; and some of them would witness without repulse the efforts of our rivals to close our last yard, and strip our last ship. Why is this? Simply and truly, because British commerce has come to color American opinion on the shipping question. We have journalists and public men so insensible and unpatriotic as to glory in antagonizing, not merely the interests of their fellow-citizens, but of their nation. They profess fellowship with British philosophers, and loyalty to their false doctrines. Sticklers for “economy,” rather than to *protect* American shipping, they would cast at the feet of England what little we have left of nautical power, and advance the British Empire, in preference to our own republic, to be the leader, lawgiver, and master of mankind.

And what is this dogma of “economy,” that serves so well our rivals and enemies—“free ships”—“cheap ships?” It is a proposition to reduce American *wages*, and to degrade American *social life*, or to give up the shipyard to the nation that can build the “cheapest,” but not the strongest or most lasting ship; and to yield up the sea to any nation that is able, through the *poverty of seamen* and *selfishness of owners*, to run ships at the lowest cost, but not with highest speed or safety. It is a proposition to degrade mechanism, increase the dangers of the sea, and pervert human skill. Cheap ships are like cheap doctors and drugs, cheap lawyers and legislators, the less they do the better they do. It is *perfection*, and not *price*, that *pays* in shipbuilding. That is

American experience. A cheap watch would fool nobody. Why should a "cheap ship" fool anybody?

There are rights and prerogatives essential to freedom, that for all time to come should be enjoyed by our own people, as builders, owners, mariners, merchants and beneficiaries in carrying our own commerce, under our own flag, to and from all parts of the world. Imported ships are incompatible and inconsistent with these rights and prerogatives. A foreign-built would be, mainly, a *foreign-owned* marine. To import ships is to deny the skill, and disown the ties of our countrymen. It is to bestow on aliens wealth and power, reserving to our brethren poverty and shame. It is to bar the sea to our young men—to shut them out from the ocean as a theatre of action. It is to relinquish the natural, and the principal means of acquiring *rank* among the nations; because foreign-built ships cannot confer honor, but may give disgrace. It is to take a sure way to dwarf our national figure, and stunt our naval power; because these can never be erected to stand on such *sand* as foreign shipyards, alien shipwrights, engineers, and seamen.

Suppose for a moment that we could fill our ports with foreign-built ships, flying the Union flag, what would the nation think of that display? What ground for respect or rank would they see in such a spectacle? It might indicate wealth, but there would be withal nothing of the national character that we could glory in; nothing to demonstrate our art and science; nothing to prove our nautical skill; nothing to show our independence; nothing to verify the possession of naval power; nothing to shadow forth or carry a hint that our political institutions are the world's best examples. On the contrary, the proof of our ignorance, imperfection, inferiority, weakness and dependence would be complete; because all these shortcomings would be fairly implied by our inability to build ships. The mean pretension that "economy" induced the purchase of vessels built abroad would deceive nobody.

Moreover, national qualities inhere in the structure of vessels. Character is evinced by the *build* of a ship, and not by the flag she flies. The flag should not flaunt our shame. It should say to the world :

"This is an American ship. Our nation builds the best, the swiftest, and the safest. Our men and institutions are like our ships, the foremost in the world. No people earn higher wages, show greater social advancement, or lead our own in manliness and skill. This ship is a sign of power. This flag and ship symbolize independence, industrial progress, political equality, and republican government."

Come to examine it, what a selfish, short-sighted, disparaging, ridiculous suggestion it is, to quit building ships ourselves, and buy from Great Britain! What a show we would make, sailing the seas of the world, prostituting our flag, to advertise the shipyards of the Clyde, and the ability, the greatness, the rank of the British nation, the only enemy on earth that ever waged war, first, for our subjugation; second, for our humiliation; and, later, fitted out cruisers to destroy our shipping, in aid of a war for *disunion*. A decent self-respect, if no higher motive, should save our noble country from this dishonor. British wealth and power rest primarily on the shipping trades. The monopoly of building ships would make British authority supreme on earth. Of absolute power is tyranny born. On the day when that fate shall befall, human progress will receive a check, and subject states their tribute pay in gold.

WM. W. BATES.

Protection and Wage-earners.

Of all the much-abused men in this country to-day, the one most abused is the American manufacturer. A large part of the community seem to think that he has no business to exist, judging from the unconcealed glee shown in prominent journals when one of them fails in business, or closes his factory. The principal dread of these journals appears now to be, that some daring and adventurous American may succeed in producing satisfactory tin plate in this country.

If an American makes a superior article in any line, a large part of the community will not buy it unless it is sold under a foreign stamp. Even his own wife and daughter, (I speak generally) if shown two pieces of goods from the same loom, will pay a higher price from one, if stamped "foreign," than for its duplicate stamped "American."

The farmer thinks he is taxed for the manufacturer's benefit, and the mechanic and operative, that their small earnings are willfully lessened by their employers; while both farmer and mechanic are more prosperous here than in other countries, and the manufacturer, if anything, less so.

An entire political party favors such revenue changes as will place our manufacturer at a disadvantage in our own markets, as compared with his foreign competitors; and the other political party seems to feel that the manufacturer exists to furnish funds to pay campaign bills.

Legislatures in manufacturing States consider every year measures tending to hamper or to ruin their manufacturers, whose enterprise, in large measure, makes the States what they are.

If under all these adverse circumstances one fails, it is made a text for a sermon on American incapacity. If, by superior ability or superior good fortune, one succeeds, he is denounced as an extortioner, and accused of "grinding the face of the poor."

I am moved to these thoughts by certain passages in an article on "Protection and Paternalism," in the July number of the SOCIAL ECONOMIST. The assumption of the article is, that the present tariff protects the employer rather than the workman, or, at least, to a much greater extent. The statement is made, that the average manufacturer favors a tariff to "protect his profits," and that "it would indeed be a marvel if workingmen did not lose faith in protection so one-sided."

Now I am a manufacturer, and write from a manufacturer's standpoint. The firm of which I am now senior partner has been building machinery in this country over half a century, and has always paid a hundred cents on a dollar. It has never had a labor trouble, but its members have opposed some of the so-called labor propositions, before our Massachusetts Legislature. A large part of our business could not be carried on in this country, *under present conditions*, without protection, and possibly for that reason we are protectionists, though we think we believe in that principle on broader grounds.

Right here is where our divergence comes from the article referred to. We do *not* consider tariff protection to be protection of our profits. If we could pay as low wages as competing concerns pay in England, and buy our material and supplies—the results of labor,—at the same prices that our foreign competitors pay, we believe we could compete with foreign machinists without a protective duty. If not, we could certainly establish works in England, and retain our profits and our customers in this country.

We believe that this statement is true of American manufacturers in general. It is certain that the profits in most lines of manufacturing industry are quite as large in England as they are in New England to-day. A recent investigation shows that the dividends of cotton mills average higher in England than here. These facts prove that the tariff does not protect our profits. It protects the wages of our workmen. This is the fac

that should be made plain to workingmen in the tariff discussion, so as to prevent their killing the goose that lays them golden eggs.

As to the other forms of protection named in the article, such as are really desirable are coming fast enough. The great danger is that the masses will be led to believe that their employers are natural enemies, and hence that they will vote against them on all questions.

Action against the tariff based on such belief would indicate that our laborers prefer no bread to half a loaf. Tariff protection, by enabling manufacturing to be done here in spite of higher wages, benefits the laborer many times what it does the manufacturer, whether the laborer also obtains still higher wages than now, and less hours, or not. If laborers by their votes remove this protection, many thinking men, and I among the number, believe that well established and solvent manufacturers would be substantially as well off under free trade as now, after the country had settled down to its new conditions.

It may then probably be asked, Why am I a Protectionist? In the first place because I am an American, and believe the mass of our people, and hence the country as a whole, will be vastly more prosperous if the present rate of wages in manufacturing industries is kept up, than if it is reduced to the foreign level, as it probably would be, were protection removed. Again, speaking from the standpoint of personal interest, the interim of disorganization and stoppage which would come while business was adjusting itself to new conditions, would be disastrous to all business men and ruinous to such as are largely in debt.

If the mechanics and operatives of this country generally desire to take the chance of lower duties, or no duties at all, on manufactured goods, they should realize that the time will come before many years, when manufacturers will tire of holding the umbrella over them in spite of themselves. If anything is foolish beyond ordinary folly, it is the effort of a large part of the

employees in protected industries to attack the system which gives them their present comparatively high wages; and it is no justification of such action to plead that manufacturers do not now pay as high wages as could be desired. One undoubted fact is left out of most discussions of both the labor and the tariff questions, viz:—that no more wages can be continuously paid to produce an article, than said article can be sold for. Tariff or no tariff, this limitation will remain in force.

In saying all this, I wish to say further that I believe in high wages, and believe in protection, because it enables them to be paid in this country. I hope to see higher wages yet. I also hope and expect to see shorter hours of labor, and every needed and proper protection for the laboring man.

I do not, however feel that manufacturers should be called upon to stand and deliver, under penalty of the temporary embarrassment or possible destruction of their industries, to be brought about by free trade votes of their employees.

If wage laborers who believe as the author of the article in the *ECONOMIST* seems to, that tariff protection is a good thing for the laborer, would unite with others interested, and settle this question for a generation or for all time, *as they could*, it would then be a more favorable time to solve the additional questions with which the article deals.

If we quarrel or excite prejudices among ourselves while this main question hangs in the balance, some of us will be apt to fare like the dog who dropped his meat into the water, in the vain attempt to catch its shadow.

WILLIAM F. DRAPER.

Our correspondent is mistaken in saying that "The Assumption of the article (Protection and Paternalism) is that the present tariff protects the employer rather the workmen." If we believed that, we should be opposed to protection, but we do not. What we said was that the average manufacturer's "*object* in ask-

ing for a tariff is to protect his profits." But we immediately proceeded to show the error of that view.

As we have elsewhere shown* the profits of domestic capital cannot be permanently increased by placing a tariff on foreign products, since prices will seek their level near the cost of producing the dearest part of the general supply, just as completely under domestic competition as under foreign.

A sufficiently high tariff will secure a home market for domestic producers and enable industries to be developed which could not otherwise exist, but it cannot raise the rate of profit, because it does not affect the relative difference in the cost of production of competing manufacturers, which alone determines their profits. Consequently we find that profits are not greater in protected industries than in unprotected, nor in high-tariff America than in free-trade England.

Our complaint therefore is not that a tariff affords more protection to manufacturers' profits than to workmen's wages, but it is that "the average manufacturer erroneously creates that impression in the laborer's mind by his mistaken opposition to all forms of protection directly applied to workingmen. Employers have no difficulty in seeing that protection to their opportunities also promotes the welfare of laborers, but they fail to see the equally important truth that protecting the opportunities of laborers also promotes the welfare of employers.

Now it is against this mistaken attitude on the part of employers that we complain. Besides being actually inimical to the social advance of workingmen, it intensifies the erroneous belief that capitalists are the natural antagonists of laborers. So long as manufacturers adhere to this narrow view of protection they may expect workingmen to regard it as a "one-sided" policy in which laborers are not interested. It should be remembered that hitherto workingmen have firmly sustained a protective policy and the cause of their present indifference to it, is the hostility of the employing class to extending the same principle to the social

*See Gunton's "Principles of Social Economics," pp.

conditions of laborers. We insist that if the protective policy is to be sustained in this country as it should be, employers must learn the important lesson that the social advance of the masses is not merely incidental to capitalists' success, but that it is an indispensable factor in it.

This does not mean that manufacturers should be expected to support every scheme presented by laborers in the name of industrial reform. Nor does it mean that laborers should support every proposition presented by manufacturers in the name of protection. What is needed is that manufacturers should give the same consideration and support to propositions for protecting the social opportunities of workingmen, as they expect workingmen to give to propositions for protecting manufacturers' industrial opportunities.

Of course this is not true of all American manufacturers. We are proud to note such honorable exceptions as Alfred Dolge, the famous piano material manufacturer, New York, George Draper & Sons, Hopedale, and Joseph H. Walker, Worcester, Mass. These manufacturers have risen above the plane of viewing a tariff merely as a "local issue" to be used for their special benefit, but they regard it as a national economic policy whose object is to protect our civilization from the deteriorating influence of less advanced countries. They also recognize the important fact that the prime source of a nation's advancement is the improvement of the social conditions of its masses. And also that greater social opportunities with more leisure and higher wages for laborers are the true means to that end.

In proof of this only last February Mr. Dolge reduced the hours of labor in his factories at Dolgeville from 10 to 9½ per day, and increased wages 12 per cent. at the same time.

If the American manufacturer would rise to the level of the Dolges, Drapers, and Walkers, much of the present acrimony would be eliminated from the social-economic discussion. Chimerical socialistic schemes would find little favor with the mass of workingmen if employers gave the same support to rational propositions for social reform that they expect laborers to give to protection. Let the employing class do this, and the enthusiastic support of the masses for a rational protective policy will easily be assured.—ED.]

Ancient and Modern Life.

To some statements in the article on "Ancient and Modern Civilization" in the last number of the SOCIAL ECONOMIST, I beg leave to take exception. Modern students have a tendency to overestimate the evils of past existence, when they do not view them through too rose-colored glasses. There is often a leaning one way or the other, but the popular estimate is certainly greatly in favor of our civilization as opposed to that of the past. This is quite right; no healthy organism in touch with the living issues of the day can look with regret upon even the most momentous of past times. But in puffing ourselves up with pride and self-congratulation that we live in such a fortunate epoch we neglect to remember that the people of previous eras were not acquainted with the joys of modern civilization. It is impossible to believe that the people of the past found their life slow, stupid, dull, devoid of interest, tiresome and monotonous as the advocates of modern life would fain have us believe. It was the only life they knew; they had no means of comparing it with any other. They did not know what manner of life men had lived before them. They could not foresee what style of existence would come after them.

I am not arguing on the merits of ancient or mediæval civilization as compared with our own. Historical students have no more favorite diversion than the making of such comparisons, and philosophers hang their most cherished theories upon comparative speculations. There can be no question of the value of comparative study when rightly directed, but such, to my mind, is not the case when it is devoted to unveiling the imagined woes of people who were unfortunate enough not to live in the XIX century. Take a modern instance. The land of India teems with almost countless millions of people who for centuries have been accustomed to certain modes of life, who are fa-

miliar with certain appliances, and know certain manner of work. Any sudden change in their life would be a positive misfortune, and hence the slow progress which occidental ideas have made among them. Even in such apparently obvious things as eating with knives and forks and the making use of other simple appliances of European life they still adhere to their ancient form. To them a knife and fork offer no advantage over the implements supplied by nature. They are happy in their primitive ways and want nothing different.

This may be unpardonable stupidity, but it exhibits a state of things which is quite parallel to mediæval manners and customs. We have no reason to look down upon the men and women of that time because they ate with their fingers, because their dwellings were draughty, because they were without the ten thousand things necessary to us. They knew no better, and were satisfied with what they had. In occupation it was much the same. To our mind the daily routine of the mediæval life is inexpressibly tiresome. To those who actually lived it could not have been less varied or full of interest than our own. It has been said that the laboring man never knows his wrongs till he is told of them. The people of the middle ages never knew how slow their lives were, how utterly devoid of interest their existence must have been, because no one told them of it. They had no means of acquiring this knowledge which is to us part of our natural heritage in civilization.

It would be an easy task to cite further illustrations in various times and among a multitude of people in which the same thing is to be noted, yet there is a very general sympathy for these unfortunates, who, if they knew not the joys of civilization, knew not its pains. The subject is one to be followed by the reader in individual investigations rather than to be set down in a formal article which would be quite too long for the pages of this magazine. It is well to note, however, that this view is incompatible with the universal oppressiveness of the past. It

doubtless would be wrong to maintain that at any time people liked to be oppressed, but slavery and oppression were so universal in antiquity that human nature became, in a measure, accustomed to it. People who for generation after generation had lived as slaves could have no aspirations for freedom without some great social cataclysm to awaken them from their sleep. Ancient Egypt has long been regarded as synonymous with the most degrading slavery the world has known, but later scholars have taken a different view of ancient Egyptian life. The monuments give no records of that universal depression and wide-spread dissatisfaction that the imagination of European culture has conjured up. Nor do the modern successors of these people, who in many ways closely follow the customs and manners of their remote ancestors, exhibit that dissatisfaction with their lot which Western ideas regard as justifiable. There were at all times, both in ancient Egypt and other countries of antiquity, cases of gross injustice and hardship, which may have extended over years and affected an enormous number of people. But we have these disturbances in another form in modern life. The demands of trade are not always sufficient to provide every one with means of living as he would like to live. Want, misery and depression are with us as with the nations of antiquity. Our age is full of social evils, and in many quarters the social question is considered the one burning question of the day.

It is therefore quite unwarrantable to say "Were not they [the people of antiquity] on a level with animals and slaves? They were hardly as well housed or fed as the animals of the wealthy." Most true of modern life, however it may have been before, and true it will always be to the end of time. There is a great general similarity in social life at all times. Differences are not differences of kind, but of degree, and in every case they should be measured by the standard of the time, not by the artificial estimate of modern life.

I have ventured briefly to combat the view of the "Chautau-

qua Student," because his estimate of ancient society is one that is generally prevalent but nevertheless erroneous. I wish to take still further exception to the editorial comment which accompanies the article. It is not my purpose to plead for the superior genius of the ancients, but the brief estimate of ancient knowledge does not seem to be based on facts. As it is on facts that modern science rests, it may not be out of place to bring forward a few on the subject in hand. I shall not be bold enough to criticise any comparison that may be made between the politics, science, music, philosophy, mechanics and economics of ancient and modern times, though I may remark in passing that modern science has not yet determined the means whereby the gigantic stones of the pyramids were put in place, and other monuments of Egyptian art express difficulties before which many modern engineers would quail. But I wish most emphatically to protest against the idea of our being "leagues in advance" of antiquity in sculpture, in painting, or in architecture. We know almost little or nothing about ancient paintings, but some of the classic writers have preserved descriptions of them which would make it rash to assert that they do not come up to our own. As a matter of fact there is not very much in the painting of this time to be especially proud of. The yearly exhibitions of our artistic societies do not always contain food for thought or self-congratulation. And when we compare our painting with that of the high Italian Renaissance there is absolutely nothing to be said. There are some great living painters, but it would be a great distortion of the truth to assert in general terms the superiority of the latest modern work to what has preceded it.

Nor is it safe to say that sculpture is "the simplest of arts." It is quite a new idea in the history of art that the Greek sculptures were of unsurpassed interest only because the art was simple. If this was so, why has it remained stationary, or why have not the Greeks been eclipsed? Surely if it was an easy task to execute the glorious sculpture of the Parthenon, it would have

been still easier to improve on them. When art reached the height it did in these works, it would have been a light matter to improve on them if it had been obtained through its simplicity.

The illustration of architecture is still more inapropos. If it was amazing to be told that the Greeks succeeded in sculpture because it was the "simplest of arts," it is not less astonishing to be reminded that we are "leagues in advance of them" in architecture. Is the New York Post Office superior to the Parthenon, or the *World* building the peer of the Erechtheion? We have appliances in architecture the ancients were unfamiliar with, but this does not give us precedence in the art. Ancient architecture differed in purpose and intent, and was the product of very different conditions from those which surround modern architecture. A comparison between them, as between ancient and modern life, must be made with a full understanding of the conditions of the case. It would take much more space than could be here given to the discussion to treat the subject properly, but any one who has looked the least into it will know that, as makers of a pure architectural style in which all the ornamental elements and possibilities of construction were most deliberately and carefully combined, the Greeks have never been excelled. Nor was their construction less faulty, or their buildings less adapted to the purposes to which they were intended. It is not necessary, because this was so, that our architects should devote themselves to the production of Greek temples. The days of these edifices have long since passed by, but they are works which the most advanced of mankind can reverently study and grow thereby wiser and better.

This is more than can be said of modern architecture, which, speaking generally, is a jumble of everything that has gone before, with much new matter thrown in. But after all it is the idea and artistic method which is mostly to be studied in ancient architecture. This is a branch that is too much neglected, the monuments being studied more for their form than for what they

are. It is a favorite theory of mine, that the modern architect can go to the Hottentot and Bushman, the native of the wilds of Africa or of South America and gain ideas in architecture that would be a benefit to civilization, a blessing to the human race. The experience of the past can never be forgotten. Man, even of this day and generation, cannot afford to neglect the lessons of the past, any more than he can look with contempt upon the parents that gave him life.

BARR FERREE.

Mr. Barr Ferree kindly favors us with a reply to the article by "Chautauqua Student," lately published in our pages, and includes in his strictures our editorial remarks. We renew the discussion in this number, since it involves many popular notions which we think erroneous. Of course Mr. Ferree is right in saying that ancient populations did not know how wretchedly off they were. As he says, happiness and unhappiness are relative terms, and every age is tolerably comfortable in its own social conditions. So, very likely the happiness of a horse is as complete as that of a man, but it is very much smaller and lower. Slavery is not so dreadful to slaves as it would be to free men, any more than subjection and dependence are oppressive to children. It is this very contentedness with slavery and its stunting that constitutes very low estates. In fact, one of the main barriers to advancing civilization is the absence of a desire in lower populations to change their mode of living. A freed slave is often much like a masterless dog—miserable. Nevertheless it is quite decided that civilization is better than barbarism, and, although modern life contains many ills that the ancients did not have, the number of comforts, conveniences, luxuries and amusements so far outnumber theirs that the two states are not comparable. Mr. Ferree evidently mistakes contentedness for happiness.

Nor is civilization "artificial," it is perfectly natural. As to ancient civilization, Mr. Ferree represents the traditional super-

stitution. Modern mechanics could put in place "the gigantic stones of the pyramids" as easily as they could drive a nail. How the Egyptians did it, is a mere question of archaeology.

There are no paintings of antiquity comparable to modern French art, which surpasses in color, variety, drawing, human interest and everything excepting religious elevation all previous painting. What the ancients *thought* about their own paintings, is quite beside the point. Of course they thought it wonderful, being adapted to their grade of civilization. But we have some of it at Pompeii, and it is good, but not great. As to architecture, the English Parliament Houses, the Vienna and Paris Opera Houses, the great cathedrals, and many other modern works are complex, varied, rich in ornament, and have a picturesque proportion of structure such as would have bewildered the architect of the Parthenon out of his seven wits to construct.

As we said, sculpture is a simple art, and its limits are soon reached. The Greeks were perfect in it for that reason, and no one will ever go beyond them. The number of artistic poses is limited, and the Greeks made about all of them. The art does not lend itself easily to the details of human life. It is too costly and too stiff.

It is precisely Mr. Ferree's looking backward for perfections and instructions, however, which we most deprecate. The history smothers the originator. The student of Greek neglects English. The lover of the past forgets the present. In our own minds and in our own age are the springs of power and perfection. We must stop learning and begin to invent. Edison is a good modern man—one who is not cumbered with the past, but looks to see how things are now. Everything is higher and better to-day than formerly.

A Manufacturer's View of the Labor Question.

The experience of the world proves that any law, regulation or custom that benefits the honest, industrious, frugal man at the bottom benefits the whole community, and conversely whatever lessens the pay or in any way adds to the burden of the humblest class of citizens, is an injury to the whole community. We are therefore under the strongest bonds of self-interest to promote the prosperity of the masses, since they are the jury that in this country must finally settle the relations between labor and capital.

In the fierce struggle for more rapid progress and a happier lot for themselves and their children, the masses are apt to overlook or greatly underestimate the improvement that has taken place in their condition, paying too little attention to the progress already made and the means by which it was brought about. They frequently seek to obtain desirable ends by means which hinder rather than help their advancement.

We all know that the people of to-day are indebted to the generations gone before them for the luxuries and comforts they enjoy, to an extent that it is impossible to realize.

The true measure of those advantages enjoyed by the people of to-day is what the individual man can secure by a day's labor, as compared with what his ancestor, as a barbarian, secured by similar labor. The whole tendency of modern civilization is to compel the wise and strong to carry the burdens of the ignorant and weak, putting all men on the same economic level. To-day no one can secure to himself an economic advantage without doing other men many times more good.

Who then gets the benefit of this immensely increased effectiveness of a day's work by the use of the wonderful machinery which seems almost endowed with human intelligence?

Is it the capitalist owner of the machinery or the employer? Certainly not, excepting for very brief periods, or under excep-

tional conditions, by recent invention or transient circumstance. The statement that laborers get only what is left after deducting rent, interest and profit, is disproved by every fact of experience. Much the greater part of the increased products goes to the masses in lower prices of every product they use from farm, shop, and factory. Thus it happens that the inventor, the builder of the factory, the capitalist, cannot work for himself without working for all other men. He cannot benefit himself by pennies without helping the mass of men by dollars.

Again, there is no class of men so much interested in an increase of wages as manufacturers and inventors, for there is no other way in which consumption can be generally increased. Until men can consume more than crude things, they can furnish no valuable market. Consumers, not numbers, furnish markets. If the wages of every able-bodied workman of average intelligence, skill and diligence at his work, now receiving less than \$1.50 a day, were to be made from this hour \$1.50 a day, and those of every woman \$1.00, and every young person 75 cents, and every child 50 cents, it would not add very materially to the cost of the total products of the country, and what a mass of poverty it would relieve! Every factory now idle would run, and it would require many more factories than we now have to supply the demand for goods. One manufacturer is powerless to shorten hours or increase wages, but all manufacturers together ought to strive to that end, in their own interest, to urge no higher motive.

It is proved by the experience of the world that higher wages so make practicable the use of machinery and stimulate invention that the world's products cheapen in nominal, and still more in real, price, as wages increase.* As man rises in economic value, products cheapen in price. Lifting up our fellows, bearing the burdens of the weak and ignorant, being our brother's keeper, doing unto others as we would that they should do unto us, were our positions reversed, is profitable in practical economics.

Never in the history of any country has any system of fiscal

*See Gunton's "Principles of Social Economics," pp. 143-149.

laws or regulations been adopted that furnished an opportunity for additional employment to its people in new industries, or to increase their wages in industries already existing, at whatever seeming cost or sacrifice, that the whole mass of the people, from lowest to highest, has not thereby been lifted to a higher economic and moral plane. "Diversifying industries is progress in civilization." It is also true that never in the history of the world has any country adopted any measure touching economics that lessened the employment or reduced the wages of its people, that did not set that nation back in the march of civilization.

Among the pernicious measures adopted, few have been more disastrous to the common people than depreciating that standard of value by which all the exchanges of the products of the country are made, which is now gold in all the most enlightened countries. Nearly every nation has tried such experiments, and always with the result of causing incalculable suffering to its people. The great debtor classes are always the great corporations of the country, the manufacturers, the so-called capitalists, who only have the credit to be largely in debt. The great creditor classes are the wage workers, men with fixed incomes, and small farmers.

When the currency is depreciated, the first things to go up in price are the things the laborer is compelled to buy; and the very last thing to go up is the daily pay of the wage worker. This is not conjecture. It has been shown to be true by the experience of England, France, the United States and every other country that, to depreciate the currency, first crushes the laborer and artisan by increasing the price of everything he buys, while his wages do not increase, reacting upon the manufacturer and capitalist, and finally bringing all classes down in a common ruin.

The history of the coinage of gold and silver in this country is significant, and ought to be conclusive on two points:

1. Will gold and silver circulate freely and interchangeably as money at 16 to 1 of gold, or will one or the other be hoarded?

2. Shall we, after adopting free coinage, make all exchanges and pay all wages and debts upon the world's commercial value of the weight of gold in our gold dollar, or upon the world's commercial value of the weight of silver in our silver dollar?

Up to 1872, the commercial price of silver was largely fixed and made stable, at $15\frac{1}{2}$ to 1 of gold, by every mint in Europe being open to the free coinage of silver, in addition to the forces then and now at work in fixing the commercial value of silver when measured in gold.

Disregarding the world's commercial ratio of $15\frac{1}{2}$ to 1, the United States, first, in 1792, adopted the ratio of 15 of silver to 1 of gold, and not a dollar of the gold we coined was in practical use for forty years. Gold was hoarded and exported. We disregard the world's commercial ratio of exchange between gold and silver, by overvaluing silver, when measured in gold, between 3% to 4%, and we were commercially on a silver basis immediately, as are India and Mexico to-day. Not a gold dollar was in commercial use in this country from that time up to 1834.

Is it conceivable that, if the overvaluing of silver in our coinage only 3% to 4% from its then commercial price, kept us on a silver basis for forty years, the overvaluing it 20% will not now have precisely the same result, viz., to again put us on a silver basis with Mexico and India?

In 1834 the law changed the ratio of coinage from 15 to 1 to 16 to 1 of gold. This law overvalued gold from its commercial price in silver as much as the law of 1792 overvalued silver in its commercial price, and the result of this overvaluation of gold was precisely the same, in driving silver out of the country, and keeping gold in it, and making gold bullion the standard of value, as it had been in driving gold out of the country and keeping silver in it, and making silver bullion the standard of value, when silver was overvalued. Not a silver dollar was in commercial use from 1834 to the suspension of the specie payments during the war. Silver was hoarded or exported. We

have been upon a gold basis, and a gold basis only, for the last 57 years, as surely as has Great Britain for the last 75 years.

There is no warrant in reason or experience for the belief that the opening of the mints of this country to the free and unlimited coinage of gold and silver, at any other ratio than the world's commercial ratio, will not compel us to the standard of the metal that is commercially overvalued in our coinage. The free coinage of silver is not a question of more or less money with which to pay wages, to buy the products of the farm, to do the business of the country. Whether free coinage of silver is granted or refused will not materially increase or diminish the volume of money in this country, as the laws of coinage now are. It is purely a question of reducing the standard of value. It really means refusal to permit or to require debtors to pay the sum agreed upon and named in all existing obligations, nine-tenths of which are friendly to savings banks, fire and life insurance companies, trust companies, all the capital of which is mostly owned by wage workers; and last, but not least, to reduce wages one-fifth. There is not a single recognized moral or economic principle that justifies the passing an act granting to the owners of silver bullion its free coinage.

The proof is indubitable that during the inflation of the currency, from 1861 to 1866, the wage workers and small farmers lost about \$2,000,000,000 in excessive prices paid because of the depreciation of the currency before wages advanced to meet the increased prices of commodities. This immense sum, taken out of the common people, went into the pockets of the importer, the manufacturer, the merchant, the capitalist, the commission merchant, the speculator, the owner of every kind of property—into the pockets of every man who had, as against every man who had not, all to be brought down in a common and final catastrophe, drawing its slow and agonizing length along from 1873 to 1878, with tramps in every village and on every road.

This is no fancy picture. This vast sum represents untold

privation and even suffering to the mass of the people. It was not then so much observed as it would be now, because of the extravagant expenditures of the war, but to-day it would be tamely submitted to. Strikes, lock-outs, riots, and practically a condition of war would ensue, unless the wages of the laborer were immediately increased. Shall we plunge from the highest line of prosperity any country ever reached into an abyss of doubt and dread and probable disaster?

JOSEPH H. WALKER.

Eliminations of Interest.

Interest results from borrowing.

And yet where is the writer that treats of the borrower?

Let us classify borrowers.

Roughly they can be divided into three classes :—

(1). Those who borrow from absolute necessity, *e. g.*, to keep life alive.

(2). Those who borrow to gratify unnecessary desires, using and consuming unproductively, *e. g.*, to give a champagne party.

(3). Those who borrow to increase their productive powers, *e. g.*, to extend a business.

Comparatively, class (1) is exceedingly small. Misfortune, thriftlessness or laziness is very often the cause : in other cases, unjust laws of distribution.

Class (2) is somewhat larger but needs no sympathy. They are not victims of necessity.

Class (3) is unquestionably the largest. Here again borrowing is not imperative.

What does borrowing mean?

It means that part of society obtains for a certain period the wealth of another part of society, with all the privileges thereto attaching, without foregoing the use of anything they may themselves possess.

When we borrow a thousand dollars we receive the power to command a thousand dollars of wealth of any kind whatsoever, be it houses, lands, live stock, tools, furniture, clothing, food or drink. We can command the privilege of hearing the greatest actors or singers or the pleasure of travel, any and everything to the extent of a thousand dollars, and he who lends us that money absolutely loses that power. The price paid then for a loan is for an absolute yielding upon the one hand, and an absolute possession on the other, of the power of the sum loaned for the time

agreed upon, and the very fact that interest is paid, evidences a mutual recognition of receipt of power and loss of power, *i. e.*, of a service rendered, behind which stands a further mutual recognition, that of the right of property. These linked together form an impregnable justification of interest.

But justifying interest does not involve its eternal existence.

Nevertheless it is a thing not easily got rid of. Offering the whole world's loanable wealth free of charge would not destroy it. The number of borrowers would at once so increase that a premium would be offered.

Neither can restrictive laws abolish it. History tells us most emphatically that prohibitory enactments have only resulted in higher rates.

If we are really desirous of extinguishing or at least diminishing this charge for the loan of wealth we should :

(1), Establish justice in distribution : give to each his full earnings.

(2), Preach and practice non-borrowing : wait till we are able to gratify our desires by our own labor.

The first will very materially assist in bringing about the desired end, inasmuch as a great deal of the borrowing now done by the artisan, mercantile and agricultural classes is forced upon them through monopoly in the form of landlordism, combines, protective tariffs and the like absorbing their rightful earnings. Further, under a just system of distribution might not such a plethora of wealth be possible as would of itself destroy interest ?

Remedy (2) would of course effectually stop it. No borrowing—no lending. But while such a course might be wise in many instances it would not in all. Universally followed it would retard progress. This however will not be. It runs counter to human nature. *People will anticipate their productive powers.*

ARTHUR E. PHILLIPS.

Mr. Phillips writes as if it were or would be sometime desir-

able that interest should cease to be paid. Where is the utility of that? People borrow because they can make money and increase their production by borrowing, and, *for no other reason*. How can it ever become desirable that they should cease to be able to make money by borrowing, since to do so is to increase the wealth of the community. That would only mean checking production, which is simply another name for checking progress.

"Justice in distribution" has nothing to do with the matter in any way. Borrowing is no more forced on people by "landlordism, combines, and protective tariffs" than wearing clothes is forced upon a man by the establishment of woolen mills. Men borrow because they can produce more by doing so. The greatest borrowers are the greatest capitalists as a rule. Nearly every great institution for business is at all times heavily in debt for money to carry on its enterprises. And when no one was borrowing nothing would be going on.

The ideal distribution which Mr. Phillips is looking for is going on already more nearly than he apparently imagines. What we want is more to distribute, a million times more, *i. e.* greater production.—Ed.]

Editorial Crucible.

Correspondence on all economic and political topics is invited, but all communications whether conveying facts, expressing opinions or asking questions, either for private use or for publication, must bear the writer's full name and address. And when answers are desired other than through the magazine, or manuscripts returned, communications must be accompanied by requisite return postage.

The editors are responsible only for the opinions expressed in unsigned articles. While offering the freest opportunity for intelligent discussion and cordially inviting expressions of well digested opinions, however new or novel, they reserve to themselves the right to criticise freely all views presented in signed articles whether invited or not.

IT IS EVIDENTLY very difficult for the socialistic mind to see facts as they are. For a long time they insisted that laborers are worse off to-day than they were in the Middle Ages. And now that the social improvement of the masses is too obvious to be disputed, they are trying to set up the claim that it is all due to socialism.

In the last number of the English *Economic Journal* Mr. Sidney Webb writes on the "Difficulties of Individualism," and endeavors to show that with the progress of society we are steadily advancing towards socialism. He forgets that socialism was one of the earliest forms of society, and that industrial, social, political and religious progress has been a steady advance from socialism towards individualism. The most striking feature of modern progress is an increasing power, freedom, and social sovereignty of the individual and a corresponding diminution in the arbitrary authority of the state. The extension of "representative government into the industrial sphere" is not on the increase. There is indeed too much of it still, but it is slowly diminishing. Never was there so much industrial and social activity by individuals without either the aid or permission of the

state as now. The state once meddled with everything pertaining to individuals. It regulated their occupations and wages, their food, clothes, and even their religion, from all of which it has now retreated through the growing individuality of citizens. Nor are the factory acts a new function of the state as Mr. Webb appears to think. On the contrary they are but the application of the oldest function of government (protection, or the policeman function) to new phases of industrial life. There were no factory laws in the Middle Ages, because there were no factories. In truth state authority is being gradually withdrawn from the administration of individual affairs, and applied more and more to protecting the rights and opportunities of individuals to do for themselves, which is just the reverse of socialism. The more the state protects the opportunities for individual activity and development, the less socialistic paternalism is necessary. Indeed, evolution and socialism are the natural antitheses of each other.

PROF. GOLDWIN SMITH has made a contribution to the discussion of the Jewish question by calling attention to the fact that the problem is not a religious, but an economic one. Of course religious bigotry runs high in Russia, as it always does where the masses are poor and ignorant, but at bottom the feeling against the Jews in Russia is not due to their methods of worship, but to their methods of doing business. Like all other national movements, the opposition to the Jews has its root in their influence upon the means of getting a living. To raise the cry of religious persecution is simply to begot the question. The same is true of the Irish question; it is not political but industrial. It is pure superstition to imagine that the removal of Parliament from Westminster to College Green will produce any serious effect upon the welfare of the Irish people. Ireland needs factories far more than parliaments. A few large capitalists would do more for Ireland than a multitude of politicians. If a

few millionaire Irishmen would establish manufacturing industries in Ireland, they would do more for the industrial prosperity, social development and national independence of Ireland in a single generation than all the contributions to eviction and campaign funds could accomplish in centuries. Like the Jewish question, the negro question, and all other questions of giving prosperity and freedom to the masses, the Irish question is one of industry, and not of politics or religion.

WITH WHAT TENACITY some people cling to error in utter disregard of experience. In discussing the question, "Shall France have an Eight Hour Day?" in the *Chautauquan* for July, Vicomte George D'Avenel solemnly declares that "All the necessities of life would increase in value," that "Wages everywhere, as a consequence, would be reduced," and "The material gain accruing from the multiplied inventions of this remarkable century * * * would be for a long time lost." Just as if all this had not been predicted twenty times over during the last forty years with exactly the opposite result. The fact that in England and America the working time has been reduced from 16 to 10 and in some trades to 9 and even 8 hours a day, followed by lower prices and higher wages, goes for naught with such writers as Vicomte George D'Avenel. "The remedy for workmen," says this writer, "ought to be sought not in the increase of their wages, but in the reduction of their expenses," so the laborer's condition is not to be improved by trying to get more wealth, but by learning to live upon less. The evils of poverty are to be remedied by increasing poverty. And this was specially translated for the readers of the *Chautauquan*.

IN THE *Economic Journal* (English), Prof. J. E. C. Munro discusses the probable effect of an Eight-Hours day on coal-miners, and concludes that it will not lessen the miners' wages so long as they are able to maintain their customary output. He

bases this on the fact that their wages have been determined by a piece-work scale. He does not see that the miner's standard of living determines piece-work prices and therefore the rate of wages, which seems a pity since the article is otherwise the best of testimony to the fact that by hook or by crook a reduction of hours will always be met by new devices calculated to raise wages again up to or beyond their former level. As when cotton spinners had once to face such reduction, it was soon remedied by improved machinery which gave them larger wages than ever.

PROF. DUNBAR'S article in the *Quarterly Journal of Economics* for July is of marked interest as revealing the rift between academic and practical study. Mr. Dunbar is strong on the necessity of keeping the study scientific, even though such study leaves the student as much at sea on economics, as the study of the classics leaves him on modern society. Which is to us much as if a teacher should be satisfied with an instruction in physiology which left his class in doubt as to the functions of heart, liver and lungs in the human system. Can a study be scientific which leads to no conclusions? The fact that it does so only shows it to be in the metaphysical stage, and not in the scientific stage. And this seems to be true of the Harvard *Economic Journal* and Harvard economics generally. They are metaphysical and not scientific, of which we complain. They teach politics—economical principles—as a doctrine of things, and not an order of society. They pretend to give an account of human business affairs without taking into account men out of whose nature all such affairs spring. Political economy can never be understood till its principles are settled in social economy.

ALTHOUGH JOHN SHERMAN frequently talks bad economics, as in the case of his anti-trust bill, in his recent speech on the money question he hit the nail squarely on the head regarding the demand for free coinage of silver. He said: "Free coinage means that we shall purchase, not merely four and a half million

ounces a month, but all the silver that is offered, come from where it may, if presented in quantities of 100 ounces at a time. We are to give to the holder either coin or treasury notes, at his option, at the rate of \$1 for every 371 grains, now worth in the market 77 cents. * * * It is a public bid of 29 cents an ounce more than the market price for all the silver afloat and all that can be hereafter produced." That is the reason why silver producers are willing either to sustain or defeat any public policy in order to secure the free coinage of silver. It will give them a market for all their product at more than 20 per cent. above its economic value, which is the real secret of the free silver coinage movement.

As IF TO CONFIRM what we said in our last issue regarding the economic ignorance of political editors, the *Louisville Courier Journal* sagely remarks: "It is sad to know that, as late as President Harrison's last birthday, there were American children working from fourteen to eighteen hours a day in the rich and prosperous city of Chicago, some of them getting no more than \$1 a week. Can't the tariff be raised a little bit higher for the sake of these industrious infants?"

Had Col. Watterson studied protection as an economic principle instead of a partisan issue, he could never have penned such a paragraph. He would have known that a tariff is but one of the many ways of applying the principle of economic protection. And instead of looking to Free Trade as a remedy for long hours, he would be advocating an extension of the protective principle to workingmen, by helping them to obtain a general reduction of the hours of labor. But this is perhaps too much to expect of Mr. Watterson, since to seriously advocate shorter hours would be a violation of the fundamental principles of Free Trade Economics. That school has an unbroken record, fifty years opposition to short-hour legislation—both in England and this country. Long hours and cheap labor have been its cardinal doctrine for three-quarters of a century.

CALIFORNIA MANUFACTURERS are evidently in need of a little wholesome economic education, and are in a fair way to get it. They have just organized an association for the purpose of suppressing Trades Unions. They might as well form a society to prevent the use of steam and electricity. For half a century English manufacturers tried to suppress Trades Unions, but after wasting millions in a futile attempt to do the impossible, they learned to recognize labor organizations as an inevitable force in society to be reckoned with. Eastern manufacturers have, to a great extent, repeated the follies of their English brothers, with similar results. If Western capitalists refuse to learn the obvious lessons of experience, they must expect to pay the penalty with interest. The truth is, Trades Unions are a natural product of modern industrial life, and are as necessary to the social development of laborers as factories are to the efficiency of capital. As we have frequently remarked, this mistaken movement on the part of capitalists not only fails to accomplish its end, as it should, but it strengthens the claim made by the Socialists and Free Traders that manufacturers are natural enemies of workingmen. Once more we repeat: if the employing class wants the political aid and social confidence of the masses, they must learn to co-operate with instead of antagonizing workingmen in all rational efforts to improve their condition.

THE
SOCIAL ECONOMIST,
OCTOBER, 1891.

Social Importance of Wealth.

The position of wealth in the world has always been resented as being unduly exalted. Its superiorities have been so invincible, its domination so intrusive and natural, its immunities and advantages so numerous, that men have, as it were, conspired together to dispute the justice of its reign and the rights of its accorded claim. Through all history the note of resentment crying out against it runs like a minor strain to modify the dominant chord. Reformers in state, religion, morals, society, have always taken up their parable against wealth as against the great enemy of man, and turned their crusades against evil into crusades against the rich. Even ancient Homer, as also Saadi and Budha, have their fling against the increase of wealth, and modern Goldsmith cries,

"Woe to the land to hastening ills a prey,
Where wealth accumulates and men decay."

which is striking as an epigram, though misleading in fact. No race ever decayed so long as it was accumulating wealth.

The literary classes in all ages have been the special antagonists of wealth, and have exalted the pleasures and powers of the mind and soul as against the sensual gratifications procured by wealth. Even when fawning upon the rich they were chanting the praises of poverty-stricken contentment and the felicities of

the soul. They never seemed to observe that where there was no wealth, there was and could be no literature; just as the various classes of reformers never perceive that if they could destroy riches, neither they nor anybody would know what to do with the seething mass of helpless poverty in which all would be submerged. If it were not so common to note that the plainest and simplest truths were missed by even the best minds of antiquity, one would stand amazed at the incessant and repeated diatribe of philosopher, sage, and saint against that increase of wealth which gave to the complainants themselves the very vantage ground from which they could launch their suicidal invectives; the wealth of their respective communities being the sole reason why they had leisure and knowledge enough to think and speak without the necessity of digging or hunting for their daily provisions.

Now it is plain that no community has, or ever can have any but the rudest occupations, and therefore the rudest people, so long as it has not wealth enough to support some men in comparative leisure above want. Neither statesmen, nor writers, nor generals, nor inventors, nor poets and artists can arise in a society all of whose members must go out daily, like a wolf or a buffalo, to pick up their food from the bare face of the earth. Men in such a condition, like the Tartars or the Indians, are really but tribes of animals ranging the fields of nature, predatory or pastoral as the case may be, and as incapable as animals of any of the higher works or products of humanity. They must be animals till they manage to find methods of production which shall secure them a reasonable subsistence without perpetual devotion to filling their larders or making their houses and garments. The incipient stage, or rather the indispensable condition of all civilization then is the accumulation of *some* wealth, and not until this first necessity is provided is there the least chance that either mind or morals will begin their upward march to any estimable degree, or that man will rise above familiar association—because of equality of nature—with the cave dog and the cave bear.

It is easy to state this and to see it to be true for the beginnings of the human ascent; but men are prone to kick at the ladder by which they rose from their mire, and to deny its value in the later stages of their prosperity and power. The risen parvenu does not like to revert to the times when he dug with spade and pick at a dollar a day, or to the buildings where he carried a hod in the times of his needy youth, though that laid the foundation of his succeeding fortune.

And mankind has done likewise by the means of his own rise in the scale of general being. Having reached a level of comparative affluence—affluence as contrasted with the condition of any other animal—he begins to be swollen with a sense of his own importance, and to claim that he has risen, not by virtue of hard labor and a successful struggle with the need of subsistence, but by God-given instinct and a lofty inmate genius aiming at the highest and best ideals. This might be all very innocent and harmless vamping, were it not that such notions tend to alienate him from the true means of progress,—the increase of wealth and improvement of his material condition,—and to turn him aside to the pursuit of thin ideals at the expense of his real good. For, being once turned aside to them, he becomes capable of the wildest fantasies. He may become a dervish of the desert, a begging friar, or a celibate priest, a mooning æsthetic, or a starving poet willing to live dirty and despised in Grub Street all his life, or a book-worm reading everything and knowing nothing, or any one of the many useless species of toilers who add nothing to human well-being.

But it were better for all of us if we were to cling fast to the idea of the initial step of our progress as a race. We must insist more strenuously that, as our rise began in that improvement of our material condition which we call wealth, so the successive steps of our progress have all been made by exactly the same means, the increase of wealth as its basis. There never has been any other history of this, and there never can be any other. All

steps upward are made upon a flight of stairs constructed by the material resources of the times. This is plain at a glance in history if one will but look at the well-known facts. The Egyptians were wealthy when they built the pyramids and raised the obelisks. Athens was richest in the age of Pericles who had managed to secure control of the common treasure at Delos. Rome was richest at the time of Cæsar and Cicero when her glory reached its acme. That these nations fell through national corruption produced by their riches and luxury, is probably the wildest theory (apart from that which attributed disease to witches and charms and demons) which ever misled and distracted speculative mankind. The wealth of Egypt attracted the desire of the Persians, who overcame and destroyed her for the sake of plunder. The wealth of Athens attracted the cupidity of Philip and Alexander, who overcame and destroyed her by impoverishing her resources. The wealth of Rome attracted the Germans, who overcame and destroyed her by impoverishing her provinces. All rose to grandeur by the increase of their wealth; all were destroyed by military invasions, and when impoverished fell back to the level of the barbarians who had conquered and plundered them.

The notion that corruption increases with wealth can be maintained only on the ground that poor tribes, such as Zulus, Indians, Finlanders, Chinamen and the like are remarkably virtuous and stalwart, or that for true virtue one must go to the squalid quarters of great cities, to the starved peasantries of Russia, Poland, Spain and Italy, and like abodes of the forlorn and the destitute. Those who believe that the assemblage of thieves and robbers, who gathered round Romulus, were better than the citizens of Rome at the time of Augustus, must prefer a society all of brigands to one where learning, eloquence and statesmanship had at least some sway and esteem. They indeed allege the words of Tacitus and Juvenal as if Tacitus and Juvenal knew everything. But they indeed knew and said less than the New

York *World* or *Times Topics* know and say about our present society. But any historian who should take those journals as representative of our times, omitting the vast achievements of inventors, statesmen, writers, and commercial men in our age, would be as wise as one who should think to photograph a city by taking a saloon precinct. And to attribute, as those writers did, the decay of Rome to the increase of its resources is the same as to say that New York is in danger of fire because of the strength of its fire brigade.

But not to spend our time over the far-gone and misty past where one is easily believed to make his facts to suit his theory, let us look at our own times and history. At the era of the Revolution our country was a little and lean community scattered along the Atlantic seaboard—to borrow a figure from Plato, like frogs around a marsh. Three millions of people, mostly given to agriculture and shipping, held the gate of the vast continent back of them open indeed, but unentered. They were not indeed poor, but they were like all nations of that day of no steam machinery, no railways, and no great cities, far from the wealth of the present day. Slowly they dragged along after the Union was established, adding to their wealth decade by decade and increasing their resources after a slow-paced fashion. The age of steam arrived, lending to them the power of its tireless energy. They sprang to its use with speed, and the continent began to be explored, then traversed by railways and its rivers ploughed by steamers. Cities sprang up, mines were opened, the prairies sown with grain, forests cleared, emigration encouraged mostly of the laboring classes,—and in the short space of the half of one century the nation put itself abreast of the foremost nations of the world in wealth. It did not write better books, or devote itself more to religion, or to the fine arts, it outdid nobody in scientific pursuits or ideal aims, but it devoted itself, amid great reproaches from "abroad," to the brutal aggregation of wealth of every kind. And what was the result? A degeneration of the

people by the increase of luxury and refinement? By no means. On the contrary, the nation has grown immeasurably in strength, power, freedom, self-respect, and respect abroad. It has become comparatively refined, intelligent, moral, and now reaches out towards literature, art, science, and all the ornamental branches of life, towards social amenities, liberality of thought, graciousness of manner, with the enjoyment and with the courage of its worldly resources in its eyes. It now boasts itself to be one of the greatest powers of the world,—great enough to laugh good-naturedly when venerable Italy, moss-grown with civilizations and memories, ruffles up and begs to know if an insult is intended by the New Orleans massacres, and peaceful enough to settle its own quarrels with England by reasonable arbitration. Meanwhile, it has taken in hand many millions of Europe's least intelligent and most turbulent populations, and by giving them something profitable to do, and so making life decent and comfortable, turned them into as good and peaceable citizens as the world can know. The result is not due to schools, for our immigrants went to no schools; not newspapers, for they could not read our newspapers; nor the ballot, for the ballot enables them to change nothing; not liberty, for their liberty consisted only in the freedom they had at home, to go to work and get a living; not to any institutions, political, religious, or social that could so transform and modify them. It is simply owing to the fact that a tolerable amount of labor gets here a reasonable amount of compensation, and men, growing better off, grow also intelligent, peaceful, and useful. And the nation having its wealth increased by all the additions of these numbers, grows in prosperity by the increase of wealth so visibly and at such a pace as to earn and command the admiration of the civilized everywhere.

Now it is evident that if this growth were mostly literary, religious, artistic, or philosophic, leaving us low in goods, no such added power and esteem would accrue to it. A nation of devotees, like monks and friars, needy artists and the like, if such a thing

were possible, which it is not, would be of small account in the rude world. Its masses would be idle, ignorant, and wretched, its peasantry servile and stupid, its civilization, like that of the sixteenth century Italiana, would be brutal, sensual, and narrow. Nothing but a general wealth could produce a general uplifting, nothing but a general wealth could make a prosperous common-wealth.

We urge this to make it clear not simply that wealth is desirable, which everybody knows, but that it is the corner-stone or rather the main foundation of advance, and that there is no other foundation. Plato may plant and Napoleon may lead, saints may martyr, Richelieu direct state policy, Washington head the government, and still all go to the dogs, without increase of wealth. That, and that only, makes success, and without that, genius and religion and politics and letters will all alike labor in vain.

The main thing to do then is to do as America is doing—go on increasing in wealth and let other things follow on as they can. Wealth will nurse an army of arts and sciences into vigorous life without any more ado, and nothing else has the milk for them. That mad race for riches in this century, which is so often deplored, is the best insanity that ever took possession of people, and has already resulted in wider charity, greater liberality, finer persons, nobler state policy, and richer literature than the world has ever seen before, and therefore we say, let it go on. And go on it will, since the advantages of wealth are at last clearly recognized, and men are devoting themselves to getting it.

But they are as yet only in the first stage of the process. Men are seeking wealth, but they do not yet clearly see that the truest and best means to get it is to devote themselves to producing something. There is still the old predatory impulse to try to get wealth by getting what some one else has, by laws, by treaties, by civic or social arts, and arrangements, but there is only one method to advance the general wealth, and that is to add to

it by increasing the arts and range of production. More, more, more is always needed of everything for everybody, and an increase of products is the great means to make all richer.

With the increase of wealth, that is the number and quality of houses, crops, metals, machineries, cities, conveniences of life, books, libraries, ships, railways, museums, newspapers, and the like, we may be sure of a nation advancing to a greatness such as was never realized by any militant state in history, and to an intelligence which shall throw the finest minds of antiquity into permanent shadow. All things are possible to a wealthy people, for they have the materials of all things in their hands.

The Relation of the State to the Individual.

BY DR. LEWIS G. JAMES.

The latest word of Mr. Herbert Spencer upon the functions of the State and its relations to the individual is of interest to every student of social science. Sociology, or the science of society, if it does not owe to him its name and its primary impetus, certainly owes to him the first systematic attempt to formulate its laws, and a wealth of illustrative material, gathered by the patient investigation of the facts of history and experience, which must render all subsequent investigators in this field of research his constant debtors.

In his latest work on "Justice"—Part IV of the Principles of Morality—which he regards as in some degree the culmination of his entire philosophical system, Mr. Spencer states anew his theory of the relations of the State to the individual, with something of novelty in his conclusions and illustrations, and an evident modification of some views heretofore expressed. It is our purpose briefly to examine and comment upon the matured convictions of the author of the Synthetic Philosophy, as set forth in this latest volume of his philosophy.

It should be noted at the outset that this volume, which covers much of the ground of his earlier work, "Social Statics," is expressly intended to supersede and correct the immature judgments of that brilliant, but somewhat crude and imperfect treatise on man in his social relations. "Social Statics" has been withdrawn from publication in the latest English edition of Mr. Spencer's works. Certain chapters will be hereafter revised and published in a volume of essays, but with that exception it will hereafter be a manifest injustice to Mr. Spencer to quote the opinions expressed in that work in illustration of his present or mature convictions.

As compared with "Social Statics," the new volume gives evidence of a growing conservatism, a stricter, though not an ex-

clusive dependence upon the inductive method of argumentation, and a more explicit recognition of the bearing of the law of relativity upon the practical problems of citizenship and individual obligation. While Mr. Spencer aims to hold before us the ideal of a perfect society, and a true conception of the relations of the individual to the State in such a society, he everywhere recognizes the present immaturity of mankind at large, and the necessity for adapting existing institutions to the man of to-day.

In "Social Statics" and "Illustrations of Universal Progress," as well as implicitly and explicitly in the "Principles of Psychology" and "Principles of Sociology," Mr. Spencer emphasized the fact that society is an organism, illustrating similar principles of growth to those which govern the evolution of biological structures. In "Justice" the reader is struck at once by the infrequency of all explicit references to society as an organism. In a careful reading and somewhat hastier re-reading of this volume, we recall but a single passage in which the "social organism" is directly mentioned; and this is in an illustrative paragraph which notes that evolutionary progress in biological and social structures is alike marked by increasing heterogeneity of structures and increasing division of functions.—(P. 229).

We should judge too hastily, however, if we were to conclude that this change of emphasis indicates a tendency in Mr. Spencer's mind to place less importance than heretofore upon the analogies between biological and sociological conditions. On the contrary, he expressly informs us, in a cautiously-worded phrase in his preface, that whereas a biological origin for ethics was, in "Social Statics," only indicated, such origin has now been definitely set forth; and the elaboration of its consequences has become the cardinal trait—a statement which greatly emphasizes the almost total lack of explicit reference to society as an organism in the present work.

It is not improbable, as it appears to us, that the considerations so ably set forth by Mr. Gunton in his criticisms of Spen-

cer's theory of society, ("Principles of Social Economics," pp. 299-310), may have been largely influential in determining this change of phraseology. The avidity with which socialistic agitators have seized upon the phrase "the social organism," and turned it to the support of principles which Mr. Spencer everywhere repudiates, may have led to the disuse of the phrase, while at the same time the true bearing of the analogies as well as the differences between social and organic structures has become more clearly defined in his own thought, and is more lucidly expressed in his exposition of the principles of justice. Whatever may be the true explanation of the fact, we everywhere find such expressions as "society in its corporate capacity," (p. 221), "the social aggregate, or incorporated body of citizens," (p. 210), "the incorporated community," (p. 218), etc., used to define societary combinations, instead of any phrase explicitly describing society as an organism.

The fundamental distinction between organic structures and social combinations is clearly set forth and emphasized in repeated passages in "Justice." In discussing "The Nature of the State," (p. 186), Mr. Spencer says: "The end to be achieved by society in its corporate capacity, that is by the State, is the welfare of its units; *for the society having as an aggregate no sentiency*, its preservation is a desideratum only as subserving individual sentiencies." And again, in considering "The Limits of State Duties," (p. 254), he repeats: "Once more let me emphasize the truth that since a society in its corporate capacity is not sentient, and since the sentiency dwells exclusively in its units, the sole reason for subordinating the sentient lives of its units to the unsentient life of society, is that while militancy continues, the sentient lives of its units are thus best preserved; and this reason lapses partially as militancy declines, and wholly as industrialism becomes complete." The clear recognition of this distinction, of course, protects the doctrine of Mr. Spencer from the otherwise logical deductions of the Socialist, and justifies his

view that the tendency of evolutionary progress in society must be toward the liberation of the individual and the limitation of governmental functions.

In attempting a brief positive exposition of Mr. Spencer's theory of the relation of the State to the individual, we must guard ourselves from the injustice of judging his entire social and ethical doctrine by the restricted teachings of this single volume. A multitude of hasty critics have already perpetrated a similar injustice in their discussions of the principles laid down in the "Data of Ethics," which has been treated as if it embodied a complete exposition of Mr. Spencer's ethical system, whereas it was avowedly only the foundation of a superstructure hereafter to be raised. Probably a majority even of our thoughtful and intelligent readers to-day regard Mr. Spencer as one of the prior school of thinkers—the English utilitarians—not recognizing the fact that there is a world-wide and fundamental difference between his doctrine of rational utilitarianism and the empirical utilitarianism of the earlier school,—a difference which is strongly emphasized in the practical applications of his ethical theory in the present work. So we must not forget that we are to look in this volume, not for the minute exposition of all phases of Mr. Spencer's social theory, but simply for the statement and application of his conception of Justice, as applied to man in his relations to society. The questions of Negative and Positive Beneficence, covering a wide field of practical problems, are to be discussed in subsequent volumes of the Synthetic Philosophy, and the inductions of Ethics, and Ethics of Individual Life were passed over in order to assure the completion of this most important section of his work.

Mr. Spencer's theory of the proper limitations of the powers of the State, and of its relations to the individual, rests upon his fundamental conception of Justice. It is the duty of the State to secure justice to the individual—this, and nothing more. What, then, constitutes the law of justice? Primarily, the conception of justice implies the right and obligation of each individual to re-

ceive the benefits and evils of his own nature and consequent conduct. The self-restraint necessitated by association with his fellows implies the secondary principle that his own freedom of action must be restricted in order to give opportunity by the security of equal freedom to all other individuals. Equality of opportunity, and inequality of benefits proportionate to the differing powers and characters of individuals are, therefore, the essential requirements of justice. In a perfect society, composed of perfect individuals, these requirements would be voluntarily conceded. No such society, however, exists, or has ever existed. Man is gradually struggling toward an ideal of perfection out of ancestral bruteness and barbarism. This necessitates the institution of government. The distinction between society, or the simple aggregate of individuals in a community, and government, is therefore clear. Government is society in its corporate capacity, instituted for the protection of the community and the maintenance of individual rights.

The earliest dangers which beset a community and threaten interference with individual rights are those resulting from external aggression. The earliest governments, therefore, are instituted by the necessity of war—the obligation to protect the community and individuals from the assaults of other tribes or nationalities. Governments of this earlier militant type necessarily partake of the paternal character. They tend strongly to centralization of power and subordination of individual liberties. In so far as this militancy is defensive merely, the character of the institutions which it implies is ethically justified. In so far as it is aggressive, however, aiming at conquest and unjust interferences with other communities, it has no ethical justification.

As communities advance in civilization, the tendency is away from this militant type, and towards an industrial type of society. The State, therefore, is not constant in its nature, but is continually changing. Its primary function of combining the action of incorporated individuals for war gives place more and

more to its secondary function of defending component individuals against one another. In primitive communities the rule of *lex talionis* prevails. Every man is his own avenger. This is the law of anarchism, pure and simple, though its customs sometimes survive after a higher social type has been evolved. For anarchism, the militant type of society substitutes the method of socialism. Individuality of character is repressed. The centralized government is dominant over the citizen.

As communities advance toward the industrial type, the principle of Justice obtains greater influence and more general recognition. In the perfected industrial state only defensive wars will be tolerated. The functions of the State will be strictly limited to the maintenance of justice between individuals and their protection against foreign aggression. For the better maintenance of justice between individuals, Mr. Spencer advocates the free administration of justice in civil as well as in criminal cases, strongly condemning "that miserable *laissez faire* which calmly looks on while men are ruining themselves in trying to enforce by law their equitable claims" (p. 44.)

While Mr. Spencer is evidently a strict constructionist in his interpretation of the functions of the State, he is as evidently no advocate of immediate anarchism or an absolute application of the *laissez faire* principle. Within its proper sphere, the government should exercise a prompt and vigorous administration. While he holds, with all consistent evolutionists, that social progress implies a larger liberty for the individual, and a gradual limitation of the functions of the State, as a consistent evolutionist he also recognizes that the sphere of government must vary with varying forms of culture and civilization.

American critics, who are also evolutionists, will not find so much fault with the general principles enunciated in "Justice," as they will with some of the applications which Mr. Spencer evidently makes of these principles. While we must admit, with him, that universal suffrage has not proved a panacea for all our so-

cial and governmental ills, we are not yet prepared to pronounce it an absolute failure. The child must be permitted to go into the water before he can learn how to swim; and thoughtful students of our institutions regard the elective franchise as an educating influence of high value, and as a safety valve against social disorders, even among our most ignorant classes. Foreign-born citizens constitute largely the turbulent elements in our population; but the second generation of their descendants furnishes a large proportion of our intelligent voters.

To many of us it also appears that the protective feature which constitutes the admitted *raison d'être* of all governmental institutions may logically be held to justify protective public education, and in some instances, protective tariff legislation, as well as protective armaments and forts. Indeed, since the tendency of all progressive development is toward the strengthening of internal protective functions, and away from mere external defenses—as in the animal world, the iron-clad saurian and pachyderm have given place to higher animal cunning, and finally to human intelligence, conscience, and love—it may be claimed, I think, that such measures of protection, so far as they are necessary, legitimate, equitable and non-aggressive, mark an ethical advance over the method of physical force which Mr. Spencer admits to be justifiable by the standard of relative ethics. At the same time, with him we look forward to the better day when the principles of justice shall prevail between nations as well as between individuals, when industrialism shall supersede militantism throughout the civilized world. And the first step toward this millennial era can only be taken by the education and preparation of the individual to demand, and acquire the ability to exercise the functions relinquished by the militant State.

Some New Reasons for an Old Theory.

BY MR. L. C. IRVINE.

The safety of free institutions rests upon their appreciation by, and the self dependence of the middle classes; that great body of the common people which feeds and clothes the world, and which in our system of government is practically the sovereign power. On it the extremes of society prey. In it the roots of monopoly meander and ramify, drawing forth through myriad fibrous tentacles by almost imperceptible draughts, the nourishment of plutocracy. From its hardy soil, the pauper and helpless classes draw their chief subsistence.

This initial proposition cannot be too strongly emphasized. It is not the purpose of this essay to analyze our system of government, nor present a political thesis; but it would seem appropriate to refer to the reasons on which the opening statement is based.

Our institutions rest upon the commonalty, and must progress or depreciate, succeed or fail, as the conscientious regard for, and sincere appreciation and intelligent conception of their benefits, is greater or less in that class. Why in that class? Because the laboring people meet with less temptation to experiment in that high and broad field which can affect the government in its constitutional powers, on the success of which experiments fundamental laws may be varied in their operation, or to secure which success, venerated principles may be changed, and often are changed, distorted and violated. The farmer of to-day, as the sturdy yeoman of history, stands closest to nature; his every want it most directly supplied by the labor of his hands. He is the Adam or first man of society, because, like the infant, he lies closest to the breast of mother earth, and takes his nourishment directly from her with the least intermediation of the machinery of barter and trade. Within his sphere there lies the least temptation to interference with organic laws. They lie

beyond him, and so long as they work no galling hardship, he may never seek to know the reason for them, whence they come, or whither they tend. In his boyhood, of course, the Presidential chair is not beyond his possibilities, but the ambitions of his riper years are bounded by the dreams of domestic comfort and that plenteous store laid by against the proverbial rainy day.

But the great capitalist, the shrewd politician (too often in the pay of the capitalist), the projector of great monopolies and the overreacher of the social system, his eyes, and hands, and heart are on the dangerous levers of organic law. The purposes of this class are conserved by cutting off old safeguards and razing old barriers, by tampering with constitutions and calculating on legislative advantages. Originally their patriotism may have been as sincere as that of the yeoman, but by ambitions for gain of either wealth or power, they are wooed from the old first principles; they are open to bribes, which are equally criminal in fact, whether tendered to them by some consciousnessless monopoly, or hung out before their imaginations by insatiable ambitions. They betray the common good in efforts to secure their private aggrandizement, hedging their actions about by the most feasible sophistry, and the greatest pretense of unselfish interest. Often good men lend themselves to this evil tendency, because they are under the spell of imaginary success, or are deceived into bad policy by the "livery of heaven" which the political charlatan steals to "serve the devil in." Therefore, the classes of society within whose sphere of business and ambition lie the greatest temptations to change laws and constitutions, are not to be depended upon as the bone and sinew of pure government.

The truth of the second part of this fundamental proposition is as apparent as the first. The middle classes, or common people, are not any more to be trusted *under temptation* than the capitalist class, if, indeed, so much. But their temptation comes in another form. Of course, intelligence is a great safeguard to the elective franchise; but no citizen will properly exercise his

suffrage except he appreciates its importance and benefits,—the results of his neglect and the rewards of faithful citizenship. In other words, he must be independent, intelligent, and appreciative. Reduce or degrade the elective franchise, and however intelligent the elector, he ceases to appreciate it. The more intelligent he is, the less he appreciates it. If the laws of his country oppress him, or the tendencies of the social system resulting from those laws seem to undignify his personality, to make him dependent, then the more intelligent he is, the less likely is he to endure, and the more imminent will be his rebellion against those effects.

When the institutions to which the common people have looked as their protection have been turned into the instruments of their degradation, more or less, then will the faith of those classes be shaken to the same extent. They cease to appreciate as a friend, but regard as an enemy, their political institutions, whatever it may be. Therefore, I conclude that, in our country, any social order or system which degrades the dignity of labor, which tends to exalt one class and depress another, which widens the natural class distinction, whether such system be created or merely permitted by the law, must undermine our institutions by creating contempt for them on the part of those who suffer from those baneful tendencies.

This brings me to a question of fact. Has the tendency of our social system been toward the degradation of labor? As for the artisan and industrial class, the question hardly admits of discussion. The artisan and common laborer have suffered, not only by the natural tendency of our social system to develop distinctions between the employer and employe classes, but they have been degraded by the importation of vast hordes of foreign labor, which has never felt the dignity of the native American, whose early pride was the equality of freemen without distinctions of money worth. The independence and self-respect of the employe class have deteriorated in proportion to the respect in

which it has been held by the employer and capitalist class; this respect has suffered as labor has grown more and more dependent upon great aggregations of capital under one management—from combinations of capital and the resulting development of labor organizations. All resorts to force are degrading. The man who can demand his right from his equal, and enforce that right by virtue of its justice, has ample ground for self-respect and dignity. But the resort to force to squeeze out justice, the combination of numbers personally disinterested in an individual claim, to extort justice at the cost of enmity and loss, is a confession of a terrible state of things; it presupposes the existence of a power on the one hand, which compels the resort to force on the other, involving enmity where only friendship should exist, warfare and destruction in place of peace and upbuilding. It brutalizes both participants. Who can deny it, who reads the accounts of strikes, lock-outs, riots, detective armies and open rebellion, murders and political crimes which fill the weekly calendar of industrial news?

As to farm labor, it has suffered in almost equal ratio. Time was when the tiller of the soil was the most respected of laborers. Now he is respected in the theorist's dream, in political platforms and school-boy orations. But the theorist is dreaming of Cincinnatus in his royal toga; the political platform carpenter has his voice on the farmer, but both eyes and clutching hands on his vote; while the scholastic, in the midst of his grandiloquence over the dignity of labor, has been burning the midnight oil for years to escape that grand crown of dignity which he so compliments, but banishes from his ambition with as grand equanimity as the stage Caesar declines the crown from servile Anthony's hand.

The whole tendency of our system is to depopulate the farm, to centralize population in the great cities, to cause our boys and girls to seek every means of avoiding the simple labor of their hands. Hence, the growing wail over inefficient domestic and farm labor; and were it not for the importation (again) of foreign

domestics and farm laborers, whose social system has taught them to consider it a misfortune and ill fate to earn their daily bread, and to look up to their employers as a superior class of beings, it is difficult to say what would supply the demand. (Let it be remembered, too, that this great foreign class so rapidly forming our middle classes, has no inborn love of our American institutions, little faith in them and less intelligence of them, and thus weakens by so much the safety of our governmental fabric.)

Now, then, granting that this reluctant degradation of labor has been gradually growing upon our social system, it is my object to present a logical remedy which may avoid the consequences in which such tendency must inevitably end. The element or principle, pernicious in itself, in the social relation, which causes this widening of class distinction, must be discovered and eradicated. That element will be easiest discovered by seeking the point where the divergence of opinion begins, where the friction lies. The employer has rights, as have the employes. Both are interested in *producing*. No difference can rightfully arise over methods of production, as he whose capital is risked should be master there. But very plainly the difference is traceable to that point where the profit in the enterprise is to be divided. I contend that labor should not be held as a *commodity dependent for its price upon supply and demand*. Here is where the wrong begins, and its effects are felt throughout the industrial system, exactly as the results of a deranged liver will be seen in the action of every function of the body. Every artisan should be an expert. To be one, thorough apprenticeship is necessary, not ignorant apprenticeship, but pre-educated experience and training. This training more or less unfits a man for any other following than that to which he has devoted his earlier years. When a man has trained himself to one line of work, or one department of the manufacture of a single article, perhaps, as our manufacturing system and late inventions in machinery have rendered it necessary, he is often by that

very fact unfitted for any other employment. Should he thus be rendered practically helpless and wholly dependent on the will of an employer, whose greed for gain will prompt him—does prompt him—to displace his long-trained employes, if he can replace them by cheaper, less independent, and often pauperized labor of other countries? Is this just? No! The inventive genius of mankind has revolutionized manufacturing, has created new relations between man and man. These new relations have given rise to new rights, as absolute and inalienable as those enumerated in the immortal Declaration of Independence. *All rights are the consequence of relations.* For instance, the right of primogeniture once was a necessity to the defense and integrity of the family. New relations of society rendered it unnecessary, and most countries have abandoned it and now recognize that the new relations thus created have given rise to new rights of younger brothers and sisters, equal to those of the eldest under the old system. Any lawyer can call to mind a score of incidents in the growth of the laws of our country, illustrative of this position. But while human intelligence has been busy creating these new relations, the results of which have been the degradation of the personal independence of the laborer, it has recognized none of the new rights growing out of such new created relations of society.

The chief new created right of the artisan is the right to share in the profit of his labor in proportion to its contribution to the creation of the article to be sold. He should be a partner, whose duty and interest lie *together, not separated.* The employer should not be able to interfere with or cut off his means of subsistence, nor should the employe be able to suspend labor at will; endangering the investment of the employer and the supply of the article manufactured. Contracts of partnership might run a year for a series of years, with reservations covering accidents, &c., to both parties. The manner of it, the details of it are matters for experimental determination. The principle is my

chief contention. When that is once recognized, the just harmony of relation between capital and labor will be assured, labor will cease to tend to undignity, but will increase in self-respect in direct ratio to the respect it creates in others by its intelligence, faithfulness, and independence. Thus will the foundations of our free institutions be strengthened, and the effects of legislative advantages will be diminished and finally cease, by reason of their equal distribution upon all members of the social body.

This brings me to a very interesting part of my reflections upon this question.

While the general proposition is true that the degradation of labor has been steadily going on for half a century, and alarmingly so in the last twenty-five years, yet there is a strange and contrasting phenomenon presented in the history of the social problem of the South during the first half and the last half of the last fifty years. In the first period, all the tendencies to undignify labor were actively strengthened by the slave system. It requires no argument to prove that. Hence labor was then most dependent and least respected in the South. Since the war, the necessity of re-creating the social fabric on a new basis, the abandonment of ease and luxury, the loss of fortune, friends and estates, compelled all classes to go back to first principles. Men worked who never worked before. Women wrought faithfully and humbly, who were only used to order and be served. The natural effect of all this in the South has been to dignify labor; not as it should be dignified, but still to exalt it far above what it was at the breaking up of the old regime. In the North the maximum effects of a contrary tendency have been felt with the upbuilding of large fortunes and the success of great monopolies since the war.

It is my belief that here in the South, once the greatest seat of the servility of labor, is to be the true beginning of the experiment, the home of the new industrial system; that here in the old South, not in the already partially diseased factory and

industrial centres of the New South, so-called, but at such places as Mobile, Augusta, and Atlanta, and points in South Carolina and Virginia, is to be the seed ground of the experiment. Here is to be the beginning of the new life of our republic; here is to be broadened and strengthened the foundation of our liberties.

There are many reasons for this, aside from our abundant natural resources and advantages, and the upward tendency of labor. The very *disadvantages* which are constantly dinned in our ears by the manufacturing sophists of the North as fatal to our industrial success, will be the most powerful incentive to the establishment of the new system, namely, that aversion of skilled labor to work in the South, because of its fear of being less respected in the region where labor was once servile. I believe it is a fact that prejudice is harder to remove than an opinion arrived at from an apparently reasonable consideration. Therefore in order to compete with the established centres of industry in the North, where skilled labor tends to amass itself, and in order to break that concentrated prejudice upon the part of the artisans of the North, the Southern factory must offer an inducement beyond any mere wage rate. It must offer a *new status*, to the operative. And what region could better do it, and still compete successfully with even the pauper labor of less efficient classes, and the old factories of the North? And who shall say what new efficiency will not result from such unifying of the interest and duty of employer and employe? But leaving such speculation aside, what land swept by the trailing sun can better execute, or find more profit from this experiment? Take Mobile for example, where manufacturing is only just begun; where the natural resources, timber, cotton, coal, iron, wool, hides, and all the domestic and foreign raw materials are easily accessible by a river system of wonderful distribution, and a harbor unsurpassed anywhere; with a climate as pleasant as San Diego in winter, and as moderate as Puget Sound in summer; where the laborer can enjoy life as he earns his substance, and join hands in fact, as

well as in theory, with his employer in building the State, the school, the church, and the home; where class distinctions of wealth shall be lost in the distinctions of merit alone; where liberty shall mean in truth the "largest possible exercise of individual rights consistent with the same exercise by every other man."

If the South shall be the seed ground for such reform, then, indeed, will she have effected a new emancipation, not of *a* race, but of *the* race; an emancipation in comparison to which the former would be as the light of one star to the whole firmament of heaven.

Mr. Irvine writes earnestly but without a sufficient study of the actual social movement anywhere. Otherwise he might have discovered what has been proved in "Wealth and Progress,"—that the rate of wages never depends upon the supply and demand of labor, but is always rising where the laborer wills to have it rise by raising his standard of living. He would further discover that the upper extreme of society does not prey upon the lower, but gets its millions by drawing them from nature by means of machinery. The workmen also benefit by the capitalist's machines because he gives them better wages than they could get from nature herself. They leave the farm for the factory, because the factory will pay them more for a day's work than the farm will pay. They do days' work at the factory for the capitalist, just as they would have done days' work for nature on the farm, and he gives them more and quicker and surer pay. So that the farm hand gets already a part of the surplus, of which the capitalist gets the rest.

Now the capitalist does not "tamper with constitutions," and is no less patriotic than the farmer. He wishes to have progress indeed, but he wishes it for the good of his country just as much as anybody else. As for his being bribed by self-interest to injurious measures, anybody is liable to that bribery, and if

nobody had a self-interest to be served, the government would not be better managed than now, but worse, because nobody would have an interest in its being well managed. The notion that things are well done by disinterested managers is a common one, but practically absurd. What is nobody's business is always neglected.

Mr. Irvine thinks the tendency of our social system has been to degrade our laborers and artisans by developing distinctions between employer and employed, but is he right? Should not some of us go on to improve ourselves rapidly, whether the rest will or not? The laborer of to-day is not lower, but higher than the laborer of Washington's time. If the capitalist is higher still it is because he has gone up faster. Strikes and lockouts are but the symptoms of the rise of both. If the farmer is less esteemed than formerly it is because mechanics have advanced. If we depopulate the farms, we do it to make men of cities—active, alert, intelligent, full of ideas. The artisan does share in the profits of his employer, as above shown. If he did not he would not leave the farm. He is a partner already, and employs the money and machine of the capitalist to help his work because he can make more in that way than he can by working for himself.

Industrial centres are not socially diseased any more than are rural districts. Civilizations start in cities, not on farms, and the plan which Mr. Irvine proposes seems to us as visionary as it would be to try to make glass out of fog. "A right to share in profits in proportion to the laborer's contribution to the creation of an article" is of course just, and he is constantly getting it in the fall of prices which machinery brings about, and in the steady wages which he gets by the social advance. These are his share, and having them, he also escapes sharing the losses, which is much. How would partner-workmen like their partnership when the enterprise went into bankruptcy, as so many do? And how would they live while the concern was adjusting its affairs? And where would they go when it closed up—ruined? Mr. Irvine should notice that higher social conditions spring from the highest existing at any given time, and not from rural simplicities.—ED.]

Rational Protection.

I.

The dispute as to the comparative advantages of Protection and Free-Trade to a nation has lasted long, and still seems far from settlement. It is much like the old controversy as to predestination or free will, in which irrefragable reasons seemed to be alleged for either side of the question, and the decision depended simply on the emphasis which one chose to lay upon any of the arguments. Both sides have much to say for themselves, and one is left at the end of the hearing in the condition of mind attributed to a Justice who was so bewildered by opposing statements of witnesses in a law-suit that he resolved never to listen to evidence again. Possibly a part of the confusion may be removed from the subject by observing that the two opposing parties are really arguing about different issues, and never really lock horns as to the value of either of the points for which they believe themselves to be contending. On a matter so industriously and variously threshed out for many years one does not like to be dogmatic; but on sifting the arguments brought forward, it finally appears to be true that the Protectionists are contending for the protection of work, and the Free-Traders for a profusion of cheap things. One wishes our citizens to have enough to do which is worth doing, the other wishes them to have enough things. Therefore, the first arrives at the conclusion that we need not concern ourselves about the things so long as we can keep the people at work, and the other that we need not concern ourselves with work if we can only get cheap things. Hence we see one set of men going wild on the subject of labor, and the other on the subject of getting goods. Both are of course after the same result of general prosperity and abundance, but they look for its advance along different roads.

So the controversy runs on in an illimitable antithesis, and

neither position is carried by its opponent because neither is squarely attacked by the other.

There is of course some truth in both these positions. No serious controversy ever took place in which the error was all on one side. Indeed, it is impossible that great masses of intelligent people should contend for propositions that are wholly false. On this question, as on all others, there is some fundamental principle, which, when understood, will enable us to distinguish the truth from the error. And no really profitable discussion of the subject is possible until this principle is stated and recognized. Moreover, it must be capable of sufficient specific statement and general application to take the subject out of the realm of mere political emergency, and place it in the domain of economic science. Now it is our purpose to discuss the subject in a series of articles, in the hope of contributing something to this very desirable result.

The first thing to decide is the exact proposition to be considered. It is usually assumed that the controversy is over the relative merits of Free-Trade and a tariff system as *practical* economic propositions. This is a mistake, as we shall soon see. Free-Trade is a very definite thing—it means the abolition of all import duties. There is no such a proposition in court and never has been. With the exception of a few irresponsible enthusiasts nobody has ever seriously advocated the adoption of complete Free-Trade. The most, that responsible so-called Free-Trade statesmen and economists have ever really believed, is that Free-Trade is an ideal industrial condition, towards which progressive nations should advance. On this point there is really no serious disagreement. Intelligent Protectionists admit that custom-houses are extremely inconvenient institutions, and, like armies and policemen, should be maintained only so long as they are necessary to the preservation and development of our civilization. They would therefore like to see them removed just as soon as that can be done without injury to the country. On the other

hand, those most opposed to custom-houses are far from believing that they can be closed immediately without serious injury to the whole community. Hence they deny being Free-Traders and call themselves Tariff-Reformers. Therefore when the matter is sifted to the bottom it is quite clear that there is really no questions as to whether we shall or shall not have custom-houses. Both parties to the controversy hope for their removal in the future, and neither of them recommend that as a practical proposition at present. Since no responsible publicist seriously advocates the entire abolition of import duties,* that proposition is logically out of the controversy. It is therefore not a question of whether we shall have complete Free-Trade or have some protection, but solely one of how much and what kind of protection we should have. In short, it is simply a question of *rational* or *irrational* Protection.

Having cleared the ground of this decoy notion which has no serious backing anywhere, we come to the real question at issue, namely, What is rational Protection? So long as Protection is necessary at all, it must be admitted that at any given time there is a point below which the tariff cannot be safely reduced, and also a point above which it cannot be raised without injury to the community. This is manifestly the plane of rational Protection. Of course this point will be different at different times and for different products.

Where then is the dividing line between rational and irrational Protection? For instance, how are we to determine at any given time whether a tariff is too low to be protective or too high to be beneficial, or whether it should be abolished altogether? Here is where the real difference arises. On the one hand so-called Free-Traders have seen many instances where tariffs were so high as to be monopolistic in their influence. To demand a reduction of duties seemed the only remedy for such an evil. And having no specific basis of action, they have gradually drifted into Anti-Protectionists, demanding lower and lower tariffs with-

*If there are any economists or statesmen who take that position, we shall be pleased to afford them a hearing and give their views most careful consideration.

out any idea of where the stopping point should be, and thus logically warrant the inference that they are absolute Free-Traders.

On the other hand, Protectionists have several times in this country seen a low-tariff policy pursued to a point where it inflicted great injury to the whole country. They have also seen that recourse to higher tariffs has been followed by periods of prosperity, and that the periods of greater industrial advance have been under a high-tariff policy. Under this influence they have come to act very much as if they believed in high tariffs, and the higher the better.

In this way both parties are in danger of carrying their policy to a point where it becomes subversive of the very end they have in view. And all because they have no economic standard for determining what rational protection is.

As we have said, the controlling idea of tariff reducers is low-priced goods. This is a cross-road junction in economic thinking where many a traveller has lost his way, by confounding low prices with cheapness. It is of course true that nothing is cheap or dear except as a large or small quantity of it can be obtained for a day's labor. But it is equally true that things may be obtainable with very little labor and still not be cheap in any beneficial sense. On the contrary, very low price of things may be a prime cause of poverty and social degeneration.

For instance, if a shower of the necessities of life—food, shoes, and clothing ready-made, with works of art and all comforts—were to fall daily from heaven in such measure that no one should want for anything, the community would soon be reduced to a stupid and apathetic condition as bad as that of Tennyson's Lotos eaters, or the less fabulous and equally useless Polynesians of the Pacific isles. Progress would cease, and the human animal relapse into a state of sensual sloth and self-indulgence from which nothing could arouse him except the cutting off of his supplies. Therefore, if we could import the cheapest possible goods, namely, everything for nothing, even from heaven itself,

and give them away to everybody, we should only destroy our industries altogether, and with that, destroy industry itself and ruin the nation, body, soul, and society.

Low-priced goods then might be a great calamity. Of course this does not mean low prices are necessarily injurious, but it means that whether or not low-priced things are beneficial (cheap) depends entirely upon how the low price is obtained.

This throws into bold relief the fact that low-price and cheapness are not identical. Wealth is cheap only when its low price is socially beneficial, in which case it must result from influences which stimulate the character and energies of man. For the same reason that charity is dear because it demoralizes and depraves, no wealth is cheap whose low price or easy acquisition is the result of gratuity either on the part of man or nature, because things so acquired are degrading.

The reason of this is that the lower price is not the product of human desire directed towards an improved social life, but is the result of substituting the use of a lower social life for a higher, and therefore stunting instead of stimulating to higher activities. Low-priced goods so produced are neither cheap nor beneficial; but when a lower price results from using superior methods it is pure *cheapness*, and is beneficial to everybody, because it improves the social status of both producers and consumers.

It is then evident that goods brought from Asia at a lower price than they could be produced here by our laborers would not be as beneficial to this country as our tariff reducers seem to think, and if they replaced goods already being produced here it might be a positive injury. Such a lower price would not be beneficial cheapness, but only a social disturbance in which higher-paid Americans would be supplanted by lower-paid Asiatics, which to that extent is simply substituting Asiatic for American civilization.

Now the history of civilization shows that different benefits

accrue to men and society from different kinds of labor. Agriculturists secure one sort, mechanics another, artists a third variety, manufacturers a fourth, and so on. Therefore, whatever goods we get at a lower price by importing them than we can get by producing them here, we also get at a loss of the benefits which would accrue from establishing that kind of energy and talent among us. Nor is this so small a matter indeed as it may appear to some, since the diversity of industry is almost the main characteristic of civilization. Barbarous tribes have few and monotonous occupations—hunting, fishing and stealing—and advance towards civilization only just as fast as they diversify their pursuits. If we were kept to farming we should only lose our place in the running and be as the Brazilians instead of as we are. The South before the war adhered to that patriarchal pursuit, with such results as we know. When it came to a war they were far behind the North in resources of all kinds. And only now they are beginning to catch up, since they have established centres of industry among themselves, and begin to develop cities, factories, and machineries. So that it is not only work that people need, but the kinds of work which are best for them; not simply those which they can carry on most easily, but those which require outlay to begin, and involve energy and risk to carry on, because those alone develop intelligence and character.

So far then we may properly remonstrate with our tariff-reducing friends for their zeal in favor of mere low prices, regardless of other consideration. For, as we have seen, low prices are not the only desirable object of pursuit, and if carried to excess would land us in a bottomless quagmire from which even they would be glad to escape at a heavy expense. For just as no person can live or cut the best figure in the world who is devoted to low-priced things exclusively, so could no nation thrive, in the many directions whice alone can make a nation great and powerful, so long as it was entirely devoted to that kind of cheapness. The pursuit of low-priced things *as such* makes low-priced peo-

ple, and low-priced men never make on intelligent, powerful, and highly-civilized nation.

Protectionists are therefore right in not directing their attention to low prices alone, but also to the production of products, in which much of the advantage really lies. It is important however that they avoid the danger of assuming that because low prices may be injurious, high prices must be beneficial, and therefore the more prices are increased by tariffs the better. That would be just as bad as the other extreme, because what we are after is not high prices, but maximum cheapness of the right sort. We want to obtain goods at the lowest price possible without injuring the producers. *Rational Protection*, then, is such a tariff as shall furnish adequate protection to laborers with the smallest tax on consumers. In short, a tariff which gives protection without dearness, and cheapness without degradation.

Nor is such a rule of protection difficult to apply. It simply requires a tariff equal to the difference in wages. Our theory is to protect the wage-level of the country, which cannot be lowered without injuring its civilization, because that protects the standard of living and the consuming power of seven-tenths of the people, and protect no further, because further protection tends to raise prices and diminish the consuming power of the same seven-tenths, who are a majority of the people, and so to diminish their civilization.

And if our public journals could be induced to adopt this or in fact any single guiding principle, we should no longer be burdened with the fatuous spectacle presented by reasoners who congratulate us on the cheapness of sugar owing to a remission of tariff charges, and yet deny that prices may advance in carpets and crockery owing to an increase of tariff charges on wool and porcelain. Nor should we suffer equally from the rash lucubrations of those who in their frantic eagerness for low-priced goods would expose our workmen nakedly to a possible reduction in wage-level, which might be disastrous to the purchasing power of

seven-tenths of our people, and so defeat the very end for which that journal rages against the Protection barrier, namely, an increase of consumption among the people. Nor again should we then be called on further to deplore the insensate folly of those who lash modern legislation, whenever it aims at a better protection to the lives and limbs of factory people by industrial legislation, and assists to protect women and children from the tyranny of ruinous homes and permitted ignorance; while they at the same time clamor in favor of Protection to their industries themselves. One and all of these might see that rational Protection looks to the well-being of the laboring citizens first, last, and always, while some Protectionists only look to increase profits, Free-Traders only to get low prices, and still others to contradict everybody else.

But rational Protection only looks to preserve and improve civilization itself by seeing to it that the greatest cheapness which is consistent with the highest wages be secured, and the citizen protected in his person, property, and station, which is the acknowledged duty of any government. Wages are the only property of seven-tenths of our people, and we aim to protect them.

Here then is the real battle-ground upon which the tariff controversy must be decided. A tariff sufficient to protect wages consistent "Tariff-Reformers" cannot oppose, and a higher tariff than that Protectionists cannot consistently demand. In future articles we shall consider the practical workings of this theory,—its effect upon competition, upon prices, upon the development of machineries, upon the natural selection of industries, and upon the ultimate evolution of a truly beneficial Free-Trade.

The Approaching Eight-Hour Day.

Mr. Grant Duff tells a story of a gentleman who asked a fellow who appeared to be leading one of the Hyde Park laborers' meetings in favor of eight hours, what they were after, and was answered, "Oh well, eight hours is a very good thing, we go for that now but we mean to get three after that. Three hours' work is enough." When further asked, "how about foreign competition?" he replied, "Oh, the State will take care of that; it's not our affair." Of course both Mr. Duff and his friend regard the answer of the laborer as a *reductio ad absurdum* without further words; but three hours is no further perhaps from an imaginative limit to a day's work now, than eight hours was less than fifty years ago, and yet this now seems to be quite a moderate and realizable ideal. And there is no impossibility in the fancy that improvements in machinery will eventually reach such completeness, and speed of production be so vastly increased that a week's product of to-day might become the day's product of a century hence, and hours of labor be reduced accordingly. There is indeed no reason why people should work any longer than is necessary to produce what is needed, and if three hours will do that, why three let it be in the king's name.

Not that any such outcome is possible at present, if indeed ever, since a working day of three hours would hardly employ men so long as would be for their own good. Human faculty would not be exercised to its full in that time, and by the law of the tendency of powers to fail if insufficiently exercised, that status might work a serious retrogression. So that the workman's dream realized would impair even himself.

Meanwhile nothing could be better than that men should be getting out of the lash and spur period of industrial progress, and begin to look round them to see if they cannot make life worth living by refraining from excessive toil, and not using

every second of the day in painful drudgery. Doubtless our gentleman would agree to the idea soon enough if he were made one of the drudges for a few days, but the notion, that the drudges themselves might think so too, seems to have struck him as too wild for anything, threatening to upset the British Constitution, and perhaps even the solar system itself. But it is just because they are not only thinking of eight hours, but already demanding eight hours, and making it a part of their political program that the men are certain to get eight hours in the near future. The British Labor Congress has embodied it in their platform; so has the Socialist Congress at Brussels, as has also the Socialist Convention at Leipsic. All of which mean a combined and prolonged agitation for eight hours, which is sure to succeed. And with machinery producing more in a day per man than was formerly produced in a week, and with the large accumulations of wealth already made in all machine-using countries, the nations should really be able to slacken work greatly from the wretched times of hand-labor, and still produce enough to make at least a tolerable living. And really the machines can produce enough, so that now, both here and abroad, the great cry is for an extension of the market on the supposition that more goods can be produced than the countries at present open can consume, and that a glut of goods is more probable than a deficiency of goods.

And the impulse of the workmen to arrest a threatened plethora of goods by shortening the hours of labor is really a very wise one. Not indeed in the way nor for the reason they have in mind would it have the effect they imagine,—that of curtailing production; it would do that for only a short time at the most, and then, owing to increased plants, more goods could be produced than ever. But it would arrest a plethora for a much longer time because eight hours per day would increase the wants of laborers, and therefore increase their consumption of goods, so that it would require a far greater quantity to glut the market than before. Production then would not be curtailed,

but would be increased to meet the enlarged demand, and the whirr of machineries would be louder than ever. For wages would not fall, in fact that is the stipulation of the workmen; and indeed they never do fall by reason of a reduction in the hours of toil for any length of time; but they would soon begin to rise in consequence of workmen's wanting more things, and therefore asking more pay, while the manufacturers would be sure to find better machinery to make up the threatened deficiency in profits. This is indeed the very cog-wheel of progress, the small wheel bearing on the large and making it revolve more rapidly.

With the increase of leisure for laborers is sure to come a greater taste for amusements, for variety of life, for social entertainments, for reading and discussing, for music and all the matters which now make the upper classes upper, and which would thus become widely diffused.

All this means then the extension of a high civilization among the masses of the people,—a civilization whose requirements would be so large and numerous that it would task all the levers of enterprise to gratify them. Industry would be unexpectedly strained to keep up with the growing demands of society for its products, and thereby not only would the hours of labor be diminished, but the quantity of goods increased; so that instead of the fitful irregular supply of work now allotted to mechanics, work would be at once steady and continuous on account of a more uniform demand for goods for a larger constituency of customers.

That all benefits anticipated by the friends of eight-hour movements have followed the adoption of their ideas, without incurring any of the evils foretold by their enemies, can readily be seen in the pages of a book by Mr. Sidney Webb and Mr. Harold Cox, entitled "The Eight-Hour Day." One may there see that the adoption of the short day has been followed more often by a rise than by a fall in the rate of wages, that employers have been

better satisfied with the work done, and employes more comfortable and happy, that the quantity of goods produced has not decreased, that the amount of dissipation and drunkenness have not increased, nor foreign competition been able to crush out domestic industry. Such testimony derived from actual experience is of course gratifying to those who have urged the movement, though they could in no wise be surprised at the result. Yet so stolid is mankind still, that resistance to a wide extension of the same laws into other branches is still resisted with apathy, or violence, or alarm, and the same old reasons are brought up as sure to produce a disastrous result as if both argument and fact had not completely overthrown both. So few can see, so few in fact are used to looking at the matter in a large way that they do not see that a rise in the level of society which is involved in this movement inevitably carries all along with it, elevating the plane of each so that no one will be left out of its benefits, neither workman nor employer, nor the community, nor the State, nor the business itself in competition with longer-houred, and therefore less capable labor elsewhere. Just as American society can easily maintain itself against Hindoo and Chinese, just so is the superior social status, sure to follow a general reduction of working hours, able to maintain itself against all inferiors. In fact, one and the main superiority of this condition is its ability to beat all comers who labor longer, and therefore remain in a less productive condition as well as a less consuming condition.

The ultimate goal of this reduction in the hours of labor of course it is impossible to foretell, but there is nothing fanciful in saying that it will be the point at which the human creature is put by his exertions in the best physical condition. The average best health line would be likely to prove in the long run the average best working-time line. And when machinery gets so far improved that production becomes abundant at that point, so that not only is the workman at his best physical development, but also his social advantages are at a high point, a sort of

general comfort will ensue at which man's moral and intellectual nature will be elevated to their best, and society will appear as a regenerated and satisfactory institution quite different from our present unequal and defective organization.

But the eight-hour movement is one large step on the road to this better estate. Meanwhile, it is melancholy to see how well-disposed people are wasting their energies in obstructing and opposing the movement as it advances. Not seeing that it is already driving forward with such increasing momentum that it is sure to prevail eventually, and being ignorant of the history of such movements in the past, and of the benefits they have procured for their countries, and having no perception of the immense new movement of modern society altogether, towards an estate far better than any previous one, they continue to thrust and push against the movement. One might as well endeavor to turn the course of a strong north wind or an incoming tide. And since the matter is sure to be for the good of all, as its history shows, it is only flying in the face of one's own best good to further oppose and delay it. What each one should do is to try to adjust it and help it to come on so as to produce the least disturbance to existing relations, and the least jar to our present body of workmen and factories.

It must of course come by laws, for such vast social changes can only be made by society itself—individuals not being competent to handle such great adjustments alone. Modern society is too massive for individuals to rearrange it. But by law the matter can be easily and gradually arranged to the profit of all.

And certainly they who work little or none themselves should be the last to think that other people are absurd to imagine that they would like to reach a similar position, and to stand in the way of a general effort towards reaching it. For they themselves find their position to be a pleasant and enviable one, and therefore should desire that as many as possible should reach it, since the more who do, the larger society of intelli-

gent, cheerful and capable people there will be, and the more agreeable will the world be to live in. As much greater are the resources of pleasure and interest now than they were in the last and previous centuries, so much greater will they grow to be in the future when they are required for the needs and tastes of improved masses of humanity.

Economic Contentions.

BY FREE LANCE.

"FREE RUSSIA" comes to us as a new periodical, "English and American," devoted to "Russian freedom," on the basis of sentiment. General Prim once made a very pungent remark about Spain when it was proposed to make a republic of it: "In order to make a republic, it is first necessary to have republicans." So we might say of Russian freedom: In order to have a free Russia, it is necessary first to have Russians who wish to be free. All the soldiers of Europe together could not keep the Russians subject to the Czar unless they wished to be. The trouble is that most of them are indifferent to their government. The "patriots'" hue and cry arises from this very fact, and they feel sure that if the nation could only hear what they have to say, it would wish to be "free." But social improvement does not follow ideas, it produces them. It follows the increase of wealth. The "free" Afghan is not so comfortable as is the average Russian as things are—nor is any "free" Tartar.

To benefit Russians we must exhort them to increase machinery, gather into cities, multiply production, and increase the desire for many things. Political agitation may go on forever and effect nothing so long as the average Russian is a farmer and has no wealth to speak of. In such a condition of things, politics are a mere squabble of the ins and outs, "all move and no go." Instead of agitation for freedom let Russia's well-wishers agitate for economic advance, and teach Russians to desire more goods of all sorts. Freedom follows wealth as a dog its master, biting at poverty—the ragged poacher on both. The true liberators of Russia will not be the reverends, and poets and idealists, whose names we find in this movement, but engineers and inventors. Shelgounov, who died lately and was buried with great honor, preached the ideal of "equal public welfare and equal moral and

material standing for every one," and exhorted people "to serve this truth as apostle, and in its service to lay aside all selfish interests, all inequality, everything personal and groundless." "These be fine words," but in spite of the histories, we make bold to say that all the freedom imaginable does little or nothing for poor nations. Look at the African tribes, all free politically—all slaves to their perennial poverty. What has freedom done for Hayti? Doubtless it is more glorious to talk about freedom than about factories, about liberty than about wealth—one forsooth is sordid and the other grand! Did not our forefathers rise against British despotism, etc., etc.? Yes, and our forefathers had reason and were canny; they were not going to pay over money in a stamp tax and make themselves poorer by doing so. That is what they fought about. And when the Russians begin to be alive about taxation, and Russian reformers have sense enough to question the Czar about the way he spends the national money, there will be some chance of success. Till then talk will be—talk. Reformers from time immemorial have been driving at the wrong issue, and have broken their hearts because their fine words would butter no parsnips, and political questions be adjusted by sentiment. They should apply themselves to economic changes, which can always be inaugurated peacefully and by consent of everybody, and expect all things to follow in their wake. Meanwhile, the reformers might as well complain because they are not able to use Charles' Wain for a farm wagon, as because politics do not bring freedom.

When wealth "shall make you free then shall you be free indeed."

MR. EDGAR FAWCETT in the *Arena* for July attacks the plutocracy and snobbishness of New York society with a bitterness that is truly pathetic. He does indeed but re-echo the wail of ages concerning the deadness of the rich to ideas and culture. From the day of Job to that of Matthew Arnold the literary

class has always declaimed against its neglect by the wealthy, has lamented the fact that the wealthy were not fond of ideas and books and literature. It has stigmatized their glittering society as false, hollow, vapid, sensual and selfish. Even if Mr. Fawcett's arraignment were true in every word, still it would not signify that New York society differed from any other in the particulars for which he blames it. Mr. Arnold calls the English nobility barbarians because of their indifference to ideas and fondness for field sports. And everywhere those who have loved thoughts have glibly spoken against those who loved things.

Of course the desire for wealth is liable to become excessive, and lead to unjust, dishonest and overtaxing exertions to get it. And in an industrial age where all are seeking it strenuously, the pace is apt to become rapid, competition severe, and methods more or less unscrupulous. But all this is not so much the object of attack. It would be indeed platitudinous to attack it as much as it would be to attack lying, slander, stealing, and murder as social evils and sins.

The real cause of offense seems to be that the rich like each other and do not like men of ideas. But why should they any more than the poor? Getting wealthy does not immediately make brains clever, and there is no reason why a millionaire should enjoy works of taste or thought to which he was never trained. He has devoted himself to business and his society will be of his own cast, and people devoted to letters need not cry aloud because a rich man likes horses and racing better than Tennyson or Herbert Spencer. The declaration is unseemly in fact. There is room enough for all classes. And it is only ignoble for literary people to complain that the tables of the rich are not open to them. Who is the better for all this protest? Not the rich, for they no not care a straw for it. Not literary people, who are thereby led to think some great wrong is done them when there is none whatever. Not the world at large, in whom it only breeds unnecessary bitterness and sourness of spirit. If society is vul-

gar it is easy to keep away from it. If it is ostentatious one may be as humble as he likes himself. If it is illiterate one may laugh and pass by on the other side; vituperation mends little in the world, and least of all in social life.

MR. H. H. CHAMPION lately presented in *The Nineteenth Century* a "Labor Inquiry" in dialogue form discussing the wages problem, in which many opinions are aired, among others the very common one that employers of labor are the great oppressors of the community, and that they should be taken by the throat and forced to pay higher wages at all hazards. We do not object to the strike of workmen which flies at the employer in a stand-up fight for higher wages. The parties to that contest are all legitimately in the squabble. It is their proper concern, and the outcome of that contention is always higher wages ultimately, whatever it may be immediately.

As Mr. Champion says, the workmen want more things all round, and they get more in that way. And there is at present no need of asking—where is this rise of wages going to stop? One might as well ask—where are the profits of capital going to stop? Or what is to be the ultimate limit of the wheat crop, of the cotton crop, or of the out-put of iron? The truth is there is no limit to any of these advances except the limit of the advance of civilization itself. Civilization means always increasing wealth—on no other condition can civilization advance,—and increasing wealth means more wheat, cotton, iron, larger profits, larger single fortunes and higher wages. Men gasp now to think of skilled workmen getting five dollars a day, but five dollars a day is not enough to supply all the reasonable wants of a man and his family. Five dollars a day is really competent to but a scanty provision, and the time must come when clever men will get ten, fifteen, twenty dollars a day, and that too with all the necessities of life far cheaper than they are at present, so that money will buy twice as much per dollar as now. Great fortunes will then

be reckoned in billions, and crops of everything counted in trillions of bushels, tons, and gallons. And everybody will be as much more comfortable than he is now, as we are more comfortable than our grandfathers with their hard work and mean production. The advance of mankind never half began till steam was harnessed and put into traces with machinery, some fifty years ago. And its task is to wring from free-handed nature enough for all.

Meanwhile it is confounding to see the unanimity with which all classes fall foul of the capitalist for not scattering his profits among the working classes with a prodigal hand. The clergy, the philanthropists, all the women, the socialists, all the idealists—including most of the "literary men," of course the poets, some economists and not a few business people who really know better, fall tooth and nail upon the employer of labor as by common consent the great social culprit and rogue who is to be kicked and cuffed into decency. "He only pays his men a dollar a day and they have families to support. They are housed worse than his horses. He hires women at fifty cents a dozen for his shirts. He pays as little as he can to anybody. He lets his workmen starve," and much else to the same purport is shrilly echoed from all sides. One would think to hear the outcry that all employers got rich, that the margin of profits was enormous, and that it is simply a matter of choice with employers whether they pay their laborers one dollar a day or five; and if they pay the smaller amount it is solely due to their hard-hearted selfishness.

And these complainants—do they pay their employes all they can? Are they willing to make up the deficiencies of these small employers? If employers pay little, non-employers pay less, and they ought to be the last persons to find fault. We do not contend for low wages indeed—they are bad all around, but people who pay none have no case against those who pay some, if little.

Mr. Champion ends this article with a contemptuous denun-

ciation of the common, vulgar, profit and loss representative of the business world, whose shrewd dealing has made him a fortune and enabled him to buy out a useless lord. He speaks of the rich manufacturer as "a necessary evil," whom he "does not love." As if it mattered whether Mr. Champion loved him or not! One thing is true, he has at least set a mill going and helped support an army of workmen whom Mr. Champion has done little to assist. The doer need not bandy words with the talker,—deeds speak. Mr. Champion thinks the High Tory and the workmen might make common cause against the capitalist. When the Tory, whether a lord or a commoner, can pay the workman's wages he may be of benefit, but till then he and his fine notions are alike contemptible in the discussion.

Literary Economics.

In the *SOCIAL ECONOMIST* for July we ventured to criticise the fairy-land character of our higher educational institutions.* It will be remembered that the chief point of complaint was that our colleges devote the major part of their attention to educating the student in fairy-land subjects, to the great neglect of economics and other practical affairs. And also that the little attention which is given to economics is chiefly of a deductive, metaphysical rather than of an inductive, practical character; and that the result of this training is to unfit the young man for dealing with the affairs of real life. And consequently, even in the sphere of economics, the work of the college-made economist is usually of an abstract, dreamy character, and is seldom in accord with the facts of real life.

As if to prove the entire correctness of our position, the *Atlantic Monthly* for August furnished a beautiful illustration of how it actually works, in an editorial review of Mr. Gunton's new book, "Principles of Social Economics."

Like most people, to whom sentiment is more than facts, the writer disputes the proposition that material welfare is a necessary precursor to intellectual and moral advancement, and quotes from Mr. Gunton thus:

" 'We can only be helpful to others,' he (Mr. Gunton) says, 'in proportion, as we are well provided for ourselves. The poor, the weak, and the inferior are always a burden rather than a help to their friends.' Morality cannot exist except by the previous operation of material comfort,—'the material being the basis, the intellectual the means, and the moral qualities the result.' "

And then, like a stranger to the logic of facts, adds:—

"According to this philosophy, the hard conditions of existence to the Scot or the New Englander, on a thin and barren soil, led to a scanty, moral life; while the rich soil, the comfortable existence of tropical lands, yielded a crop of higher morality

and larger social growth. Wherefore New England must capitulate to Brazil or Mexico."

This writer evidently confounds the social conditions of a people with the physical conditions of the country. Material comforts to him are synonymous with rich land and abundant sunshine. The experience of mankind, as he says, has shown the opposite of this to be true. In Africa, Asia, and South America the land is rich, nature is prolific and genial, but the people are ignorant and barbarous because, though nature is rich, they have not learned to get her riches out of her, and are poor in goods.

Now what we said, as his own quotation shows, is not that land must be rich or nature prolific in order to have intellectual and moral progress; but that the development of the higher phases of social life are possible only upon a growth of material comfort. Does the editor of the *Atlantic Monthly* pretend that the New Englander has had less of material comfort than the Brazilian or the Mexican? Hardly that, though his statement can scarcely be otherwise construed. But even he would not say that the New England people were moral without comforts. In truth, the reason the people of New England have made more rapid advance in civilization than those of Brazil and Mexico is that centuries ago they had better material conditions than the South Americans have even to-day; and it is because that very material comfort brought with it more complex relations and new industrial devices, that it developed the social, intellectual and political character of the New Englanders. It is not a question of the fecundity or sterility of nature, but one of the material resources of the people; and these New Englanders have and Mexicans have not. Through a superior character resulting from centuries of development in old England, New Englanders were able to produce more material welfare out of barren hills and a trying climate than Mexicans could obtain with rich soil and a tropical climate.

Very naturally, from his standpoint our critic complains that we have departed from traditional conclusions, and says:—

"Although Mr. Gunton is not a socialist, he flouts the work of the past, contending for a break with all past economic thinking, and the construction *de novo* of a new fabric of social philosophy."

Certainly, and for what reason pray should one write a book if not for some important purpose, especially on a much-written subject like economics. We have indeed departed from "past economic thinking," but only where that thinking is out of touch with facts, though this is generally out of account with literary writers.

But what appears to astonish the *Atlantic* man most of all is that we should treat consumption as the chief cause of production. He quotes what he evidently regards a fatal passage, thus:—

"The author's pivotal doctrine, furthermore, is that 'consumption' precedes 'production,' paradoxical as that may seem. 'To-day's wants determine to-morrow's efforts, and yesterday's actual consumption determines to-day's actual production. Clearly, then, consumption is not only potentially prior to, but it is actually the cause of production.' "

Is not this good doctrine? Did our critic ever try to conduct a business enterprise on any other principles, or can he name a successful firm that has? How is the production of *Atlantic Monthlies* determined if not upon the demand for them? Why are not as many copies printed now, as a few years ago when twice as many of them were "consumed"? Desire for a thing must of course precede the effort to get it.

He endeavors to make the readers of the *Atlantic* believe us to deny that capital performs any useful function in society, and says: "Naturally, if capital has no function in production, there is little use in hunting for the cause of its existence." This perhaps is not more *literary* than the other, but it is less excusable, because it is barely possible that he might not have understood the former proposition, but in this instance he must have taken

special pains to reverse what is plainly written. Instead of denying that capital has any function in production, we have devoted several chapters to showing its immense importance. One of the most prominent features of the book is the demonstration in various ways that the use of capital is indispensable to the production of cheap wealth and general social advancement. We have even gone so far as to defend trusts because they represent the most effective use of capital.

Fairy-land writers are often good critics of style and of formal logic, but in the handling of facts they are prone to be too careless in choosing their material.

Another Phase of Education.

The article entitled "An Experiment in Education," (June number of the SOCIAL ECONOMIST), contains a description of an aid or rather an addition to the ordinary systems of education in vogue at the present time. It appears to me that the idea is capable and worthy of further development, at first within the sphere mentioned, and later, *perhaps*, extended to cognate spheres, *i. e.*, from the foreign adult element of our population to the native. Before pointing out ways in which this may be accomplished, another reference to the New American Club,* as a concrete example, may not be amiss.

The organization of the club was entirely spontaneous, showing conclusively that a want was felt, and that, in order to perform the functions required of naturalized citizens, certain faculties had to be developed. In its struggle for existence the society had to adapt itself to certain conditions, and had to make itself sufficiently elastic to permit the display and exercise of special faculties on the part of the members. They were also taught that the personality of every other member is a quantity to be reckoned with: that I have my rights and that you have yours.

Allow me to continue the historical sketch where it was left off in the last article. After a separate existence of several months, a reconciliation was effected between the two clubs, and they reorganized under the old name. A compromise fixed the lower age limit at eighteen years. Owing to considerable opposition on the part of the younger club a creditable amount of manœuvring and diplomacy was indulged in, such diplomacy as brought fame to Prussia's Statesmen when successful in uniting the German Empire.

To avoid quarrels in future, the business part was delegated to an administrative committee, while the educational work was

* The New American Club was organized by a number of foreigners, members of a Public Evening School Class, under the guidance of their teachers, for the purpose of continuing practical work in the study of the language, of the customs, and of the government of the United States, with the view to the ultimate Americanization of the members, and their assimilation with the rest of our population.

made almost the sole feature of the meetings. Excursions to various places in the vicinity of the city were thoroughly enjoyed and knitted closer the social bond of union. A new feature was introduced in the form of allowing and inviting the presence of women at *all* meetings. This proved quite an attraction, while at the same time it tended to raise the tone of the club.

The acquisition of a club room was next considered. This was to be for the use of the club exclusively, and not merely a meeting room hired for one evening a week. With this came the idea of forming the nucleus of a library as suggested in the article mentioned. Both of these schemes brought the financial problem into prominence. How can a club whose monthly revenue does not exceed, say ten dollars, accomplish this, requiring as it does. the expense of furnishing a room and paying the rent, besides the outlay for attendance, light, heat, paper, printing, etc., not to speak of the books for the library? Nothing daunted, the club set itself to work to *try* at least to accomplish this. An open meeting for which an entrance fee is charged was decided upon; besides a printed journal or magazine was to be introduced, said journal to contain essays by the members, besides advertisements, and to be issued for *and* sold at the open meeting. The success of this scheme remains to be observed as the meeting is to take place on October 24.

The objection may be raised that in this way outside assistance is solicited. This is true, but something is to be given in return for the money. The library of course must be the outcome of donations, and this may be objected to on the same grounds. The only excuse I can give is that this is necessary to accelerate success.

Now as to the extension of this work. In the first place the Boards of Education might *encourage* slight deviations from the cast-iron course of study prescribed, instead of merely *allowing* a straining of the meaning of certain by-laws. Meetings and individual exercises of the kind described might be recommended;

and a live newspaper article, interesting to adults substituted for the goody-goody namby-pamby lessons of most reading books.* The school buildings appear to be the proper places for meetings of respectable educational societies, they could even be used for club-rooms, and reading-rooms. The additional expense entailed is slight as compared with the benefits conferred upon the impecunious tax-payer. This plan I believe, is now under consideration; and it is probable that the opposition to it by janitors and others will be downed by a corresponding increase of salary.

Other features might also be more than simply countenanced, and the originality of the teacher be given all possible play consistent with modern methods. Societies similar to the N. A. C. would then grow up naturally, provided the teacher himself be sufficiently enthusiastic to lend a hand. The teacher's mission is certainly a modest one; his are neither wealth nor fame. He toils away, expecting and receiving no gratitude and little praise where good results are obtained, and invariably blamed for bad results. He practises self-denial and self-abasement in coming down to the level of his pupils' mind, and very frequently becomes dulled to the broad expanse of outside thought and action, while he is cooped up in the narrowness of a veritable microcosm. The teacher of all, is most willing and most ready to act unselfishly, if circumstances otherwise permit. All teachers are thus specially fitted to carry on this work, and work similar to it outside of the school-room, and to preach new doctrines *ex cathedra*, on the lines suggested. (Pardon the short panegyric on our much-abused profession, and allow me to add in an "aside" sadly, that as to the teachers of the city evening schools, we are all equal—all receive the same pay, without regard to experience, to knowledge, or to successful work. None is therefore jealous of his colleagues.)

Outside work is carried on at many of our schools, and in fact has become a standing feature with some of them. Debat-

*It is unfortunate that special books can not be provided for evening classes of adults: they are fed of necessity with pap of the "where-is-my-doll?" and "the-cat-caught-the-rat" variety.

ing societies are in existence even in some of our grammar schools, while *quasi*-scientific associations form an attraction in most of our colleges. The curriculum, however, seldom recognizes them officially as factors of paramount importance. Geography of Siam, the population of Lisbon, the area of Montenegro; allegation, the metric system, banking, the correlation of forces, the chromatic scale, the evil effects of alcohol, original designs, the subjective and the objective case, the date of the romance of Captain John Smith and his company, the theorem of Pythagoras, the spelling of obscure words, theoretical etymologies, etc., etc.; all these and many more are on the list and in the recognized course of study, but very little about such themes as the relation of school to pupil, of family to child, of State to citizens, and of one person to another. There is no room for any of these, nor are the pupils sufficiently developed in mind to grasp such abstruse relations. They have to go out into the cold world, be buffeted by nature's unrelenting hand, pick up one thing here, another thing there, and go without the rest. A few, yes very few, great minds grasp it all, become leaders in politics, in business, in other affairs, and the rest follow their leader blindly, for follow they must, or remain where they are.

This scheme of aid to education seems to possess additional advantages. Each member of such a club becomes a missionary and makes converts. Visitors to the meetings come under the influence of the club to a less extent. The minds of all present are occupied profitably, even though for a short time only. The attendants are taken from low variety theatres, cheap museum shows, blood-and-thunder dramas, corner-loafing, and card-playing. The forum is open to all, and many take advantage of that fact. The refining influence is incalculable, and marked improvement is soon observed.

The motto of the club is *Education and Liberty*. Is it necessary to supplement it with a statement of the oneness of *Ignorance and Slavery*? Every plan to educate a portion of the

masses, no matter how small such portion may be, is and must be beneficial in all directions.

As to the possibility and the advisability of outside help, that *needs explanation*. Justice requires that we hold a man responsible for his acts, and that certain immutable consequences should follow given causes ; but *no more* is called for. The poor and the ignorant are made to suffer for their voluntary acts, and justly so; should they be held responsible for having chosen a bad parentage? Certainly not. Humanity asks of the more fortunate that they lighten the burden of the unfortunate, but only where misfortune is a result of circumstances, for which the man is not responsible. One step beyond that, and we find ourselves in the bog of misplaced charity, impelling downfall. Evolutionists may argue that nature punishes misdeeds in generations following ; but shall we therefor add to such punishment?

The following appears to be within the limits of legitimate and allowable assistance.

Opportunities should be provided. Thus, there should be several buildings devoted to society work ; these should contain well-ventilated, well-lighted rooms and halls, plainly furnished. These rooms are to be hired out, allowing perhaps a reasonable profit on the investment. Gymnasium, books, reading rooms, printing offices, restaurants, &c., could be introduced to provide for other opportunities. All this can be given with a small margin for profits, and can still be below or at the actual cost of such places at present, while being far above existing opportunities in point of elasticity and of tone.

The poor, no matter how earnest and no matter how numerous, can never change the sum of many ciphers to a something ; the rich alone can and do provide the capital and give opportunities to the poorer class. Just as this applies to the expensive modern factory system, so it also applies to this work. Where are the moneyed men who acknowledge this and are ready to supply the golden sesame to open the treasury of the possibilities of numerous undeveloped individualities, to take therefrom the small coins of good, intelligent citizenship and patriotism, and convert them into the larger currency of good government?

PRACTICAL TEACHER.

Editorial Crucible.

Correspondence on all economic and political topics is invited, but all communications whether conveying facts, expressing opinions or asking questions, either for private use or for publication, must bear the writer's full name and address. And when answers are desired other than through the magazine, or manuscripts returned, communications must be accompanied by requisite return postage.

The editors are responsible only for the opinions expressed in unsigned articles. While offering the freest opportunity for intelligent discussion and cordially inviting expressions of well digested opinions, however new or novel, they reserve to themselves the right to criticise freely all views presented in signed articles whether invited or not.

WE DESIRE to call special attention of all who are interested in the study of Economic, Social, and Political questions, to the evening classes at the Institute of Social Economics. The classes are open to all, regardless of sex, social condition, or political creed. The terms are from ten to twenty dollars for the season, according to the course taken. This is an exceptional opportunity for mechanics and business men who can give only a limited amount of time to the study of these subjects. The classes commence October 12, and meet one, two, and three evenings a week, respectively.

IN THIS NUMBER of the Social Economist, we commence a series of articles on "Rational Protection." We intend to discuss the subject on a purely scientific basis, taking ground which consistent economics and rational statesmanship must occupy. In order to create an intelligent public opinion upon Protection the subject must be lifted out of the rut of partisan politics, and be considered first, as a general principle in economics and government, and second as to its practical application to American conditions.

If the believers in an extremely low tariff (or Free-Trade) or those desiring an extremely high tariff think their views are not

correctly presented, we invite them to point out the error. We intend to take no position that will not stand the severest criticism. Any objection to our position intelligently made and concisely presented will be considered, and if desirable printed in *THE SOCIAL ECONOMIST*. We invite the fullest discussion of the subject as an economic problem with which this country has to deal.

ECONOMISTS WHO write of the worsened condition of laborers of to-day over those of the past should read of the Arabs of Yemen-Yemen the blessed. They terrace the mountains to the height of six thousand feet to grow crops of indigo, coffee, wheat, fruit and vegetables, and in spite of terrible industry are still miserably poor. There are great natural riches there—coal, sulphur, iron, but no one develops the mines, all being resigned to the "will of Allah." And yet economists write as if our teneament population, well clad, warmly housed, able to read and write, were worse off. No one is worse off than a hand-labor agriculturist on a poor soil.

IT SEEMS that a good use for the Indian has been found in the United States Cavalry. He makes a good soldier, and the drill of the regular service is doing more to start him towards civilization, says Capt. J. M. Lee, than any previous agency employed. This emphasizes our contention that if one wishes to lift a race or an individual in the scale of being one must look carefully to find their next step, and then push them on to that. Indians are guerrillas by nature, and the next thing above that is regular soldiering which they therefore like and rise to. The step from Nomadic life to settled agriculture is too long for them to take all at once.

THE Hon. M. D. Harter gives us the benefit of his "Plan for a Permanent Bank System" in the October *Forum*, in advance, before presenting it to Congress. He advocates a currency founded on "State, County, City, and Railroad bonds" under

several careful restrictions, which is but a modified form of "John Lawism." Why not leave the supply of money to private enterprise just as the supply of hats is. The government to do nothing but guarantee by its stamp on gold and silver that the metal is pure and of a certain weight. Ninty-two per cent. of the money is already supplied by private individuals as Mr. Harter says. All we have to do is to leave the remaining 8 per cent. to the same parties, the government doing nothing further about it.

THE *London Spectator* says that "luxury does not ruin States as used to be said, but it very often ruins societies." We are getting on, or the first clause of the sentence would not have been written. But the second clause must be false if the first is true, and the *Spectator's* allegation that "a craving for excitement" indicates social decay makes us wonder if a congregation of turtles running on a log would be a social ideal. Its further remark that new millionaires get social place by spending money on society, and that their mission is disastrous to society, is much like saying that able men are an injury to society, which is, of course, ridiculous. The larger any society becomes, the more liberal its ideas, the juster its views, and the more intelligent its constituency. The millionaires are the salvation of worm-eaten and narrow-minded old families.

IT IS CURIOUS to find a man so hopelessly wrong respecting the effect of steam machinery as is Mr. J. A. Whitney, LL.D., in his book on the Chinese question. He says that such machinery cannot be introduced in China because hand-labor is cheaper, and if it could it would only add to the people's poverty and misery by taking away their work.

Such an exploded fallacy is all this: Machinery can and will supplant hand labor because it can produce cheaper, and will alleviate Chinese poverty as it has European by giving so many more things which the people will get. The best friend of China

will be found to be fingers of steel and tireless muscles of steam. The cause of Chinese stagnation is because the narrow limit of hand-labor has been reached among them. The civilization of Chinese is waiting for the introduction of machinery into that country.

MR. EDWARD ATKINSON writes in the October *Forum* on the "Real Meaning of the Free Coinage Agitation" as being an effort of interested parties, silver men, and silver States, to get more for their product than it is worth in the open market. As if the peach men were to propose that the government should buy the peach crop and give for it what pine-apples are worth, so the silver men propose that the government shall buy all the silver and give for it what gold is worth. Mr. Atkinson proposes to coin silver freely, but take away its general legal tender quality. This is just what would throw silver men into a spasm, and might do worse than that by giving a new and inferior status to all our present silver coinage and our silver certificates as well, and so throwing business into a spasm also. A better way would be to go back to the facts of the case, and coin on bullion values only, a basis which would stand forever. Even this would give us a shock at first, but could be managed to give the least possible.

We are surprised that Mr. Atkinson should not have considered the objections to his legal tender retraction plan. As for his idea of reverting to the power of each State to decide by State rights what shall be legal tender in his own limits to prevent the evils of free coinage, does it not seem rather retrogressive and visionary?

HOW STONE BLIND even an economist can be to the overwhelming importance of wealth and finance in society may be seen in a review of A. Deloume's "*Les Manieures d'Argent à Rome*" in the *Economic Journal*. Monsieur Deloume has shown what is quite certain to be true, that contractors and joint stock companies were powerful in Rome during the last two centuries

of the Republic. Their enterprises extended everywhere, and they became enormously rich. "Their prosperity was interrupted by Sulla and destroyed by Augustus." Our reviewer goes on to say that their history is one of extortion and outrage, that they showed little public spirit and used their power for only selfish ends. "They had no Economics and their practice was simple rapacity. Their disappearance was probably regretted by few." And so we are handed over to the notion that Augustus, who stamped out an enormous industrial organization in favor of a military State and Empire did a wonderful piece of State work, to the advantage of everybody. Seeing that the Empire brought the remains of the Republic to utter ruin and destroyed the highest civilization the world had then reached, an economist might well pause to consider whether it was not this very suppression of private enterprise which did the whole business for it.

IT IS PLEASING to note that there is at least one paper in the country that has risen to the level of discussing the tariff question on broad economic and social grounds. In a recent editorial on "Protection and Wages" the Dolgeville *Herald* (a very bright weekly published in Dolgeville, N. Y.) takes the position that protection helps the wages-class, not by directly increasing wages as is usually supposed, but indirectly by protecting our higher civilization against the deteriorating influence of a lower civilization. It points out with admirable clearness that wages are not governed by profits, nor even by the price of commodities, nor by the supply and demand of laborers, but that in the long run they are forced up or are allowed to drop, or remain static according to the social life or general standard of living among the laboring classes. It is by maintaining a higher civilization that the social life and with it the wages of the laboring classes rise. It further shows that the increase of manufacturing industries with their infinite variety of occupation, developing artistic tastes and a constant variety of social intercourse, is the chief factor in

this social advance; and therefore that protection of home markets acts upon wages not as an arbitrary edict to put up the price of labor, but as a guardian of opportunities for developing economic and social conditions which makes higher wages both possible and necessary.

And what is still more gratifying, our Dolgeville editor points out that these very influences which diversify and socialize industry and raise the laborer's standard of living and wages, react upon the cost of production by increasing consumption and making improved methods of production and lower prices economically profitable. The claim that protection tends to raise wages and reduce prices is thus scientifically sustained.

This is good economic doctrine. Indeed it is only upon the ground that a tariff protects *opportunity* for industrial and social development, which bring conditions for higher wages and cheaper production, that a protective policy can be economically defended.

THE *Political Science Quarterly* gives us an article on "Railroad Stock Watering," which is very readable and presents the right view of the propriety of such action when disconnected with fraudulent designs. It does not analyze the true character of the operation, however, and so fails to get the best basis for its conclusions. Now the ordinary Stock-watering, so-called, which is attacked by the Farmers' Alliance and others is, where railroads are built with the proceeds of bonds, and the stock is retained by the promoters who put no cash of their own into the outlay. This stock then is called "Water." And water indeed it often proves to the promoter, often coming to no value whatever. But when it becomes valuable then the public begins to complain of robbery and being taxed to pay dividends on watered stock. But is this true? What the promoters really do is to borrow money by means of bonds from the public to build a railroad. The stock they retain in their own hands as certificate of ownership. They differ in nothing in this from a man who

raises money on his house by a mortgage, while he still keeps the title to the house himself.

If then the railroad property proves to be worth more than the bonds, this ownership becomes valuable and these certificates of stock become valuable. They represent then a surplus remaining over to the promoters and owners of the same kind as the surplus of a manufacturer after paying the interest on his borrowed money, and are no more illegitimate, or water than is his profit.

The amount of this stock is a matter of perfect unconcern to the public; whether it is five millions or fifty millions nominally, it still represents the same property exactly, which property can only pay so much in either case, since the quantity of stock in no way affects the earning capacity of the railroad. Nor is the road able to earn any more when the stock is fifty than when it is five millions, unless there is more property. The mere number of shares is nothing.

THE *Labor Advocate*, a Canadian socialistic paper, appears to have a faculty for producing more heat than light. In a recent issue, it devoted its editorial fire to Mr. Phillips' article (Elimination of Interest), in our last issue, and our remarks on it, and says:—

"Writer and critic are alike hopelessly muddled. Justice in distribution would give nothing to anybody except for actual labor. . . . As for borrowing increasing production, that is the worst kind of rot."

Need we be surprised that socialists are unsound on economic questions? If the instincts of the average workman were not sounder than the reasoning of such instructors, there would be slight hope for the future. This writer evidently needs introducing to the alphabet of economics. Were he at all acquainted with the wages question, or had he the remotest idea of the function of capital or the principle by which prices or profits are determined, such diatribe would be impossible. To him the whole

system of modern industry is but systematic robbery. Just as if society could ever have advanced in civilization as it has under a system of mere plunder! This writer would doubtless be surprised to know that ninety per cent. of the factories and even a greater proportion of the railroads would never have been possible without the payment of interest, since the few individuals who inaugurated these large industries seldom have sufficient capital of their own to carry them through. It is only because these enterprises have been willing to divide the proceeds with others for the use of their capital that the millions of wealth-cheapening devices have come into existence.

As the *Labor Advocate* is very anxious that the State should do everything, we would suggest that it commence by furnishing compulsory economic education for socialistic editors, so that such pure insanity can no longer be passed off for economic discussion.

THE MILWAUKEE *Daily Journal* criticises our article on "Machinery and Politics" rather adversely as mistaking spoils politics for all politics and what it calls "speculators who have used the worst methods of politics" to amass fortunes for "crownless potentates of industry." Now as to this last we think we do remember to have "heard of Hargreaves, Brassy, Krupp, Edison and Westinghouse," but while they are able men and great benefactors, they have not become potentates in the world at large, which the other are by virtue of the enormous success of their respective industries, of banking and railroad building. If they are individually bad, it only shows the more forcibly how powerful great industrial success is since it can even make a bad man so potent.

As for "the distinction between politics and statesmanship" which the *Journal* reproaches us for neglecting, we did not speak of spoils politics at all, nor did we accuse politicians of having anything but high motives; Washington, Adams, Lincoln were in our mind, and not the Ward Boss at all. What we were

showing and what is true is that politics are but the machinery of economics ; that statesmanship is only of real service to mankind as it is devoted to providing opportunities for developing the possibilities and protecting the results of industrial advance. To borrow an arrow from our adversary's quiver, we may say that Watts, with his little reflection about using steam, has done more to change every human society already than all the statesmen that ever lived taken together, including those of the highest motives. And the printing press before Watts, set on foot a revolution compared with which the rise and fall of Rome and Athens were but temporary and trivial events in the history of mankind. We were urging that men did not yet appreciate the source of all modern advance, and so laying it "to many things," religion, politics, books, finance, commerce, war and the like, were quite beside the mark, since what set everything in motion was steam machinery and its enormous increase of wealth. And this our antagonist seems dimly to see when he likens its effects to those of a veritable cyclone. He is right.

WE ARE PLEASED to learn from Dr. Janes' article in this issue on "The Relation of the State to the Individual" that Mr. Spencer has practically abandoned the use of the phrase "social organism" in his new book on "Justice." This is a great step towards placing the discussion of social questions on a sociological instead of a merely biological basis. Mr. Spencer's frequent reference to society as an organism has done much to encourage the delusion among socialistic writers that socialism has a real basis in scientific sociology. To use Dr. Janes' own language, Mr. Spencer's latest idea is that "Government is society in its corporate capacity instituted for the protection of the community and the maintenance of individual rights." While this is a decided improvement on the biological idea of a social organism, it fails to give a true idea of either the origin or functions of government. Government is really a machine or method which came into

existence as a means of assisting men to get a better subsistence. Mr. Spencer's definition seems to start with an idea which comes into view only far down in the history of governmental development, and long after its earlier stages have done much work. He thus loses hold of the real rudder of all human movements, organizations and affairs, and enters into a region of abstract speculation where men drift like ships in a fog without fixed bearings. A "society instituted (organized?) for the protection of the community," government was not, at first, but rather a band organized to steal other people's goods, mankind being predatory before they were defensive; and "the maintenance of individual rights" is as far from earlier governments as Washington is from Ashantee land. Individuals had no rights.

Mr. Spencer will never get rid of the first inferences of the socialists from his general principles until he revises his principles. And a consideration of "justice" is exactly the fairy-land where the idealist, the socialist, the anarchist all may wander freely, like griffins and dragons in the pages of early poetry, without relation to the realities of social evolution.

He says: "Primarily the conception of justice implies the right and obligation of each individual to receive the benefits and evils of his own nature and consequent conduct. And it is the duty of the State to secure justice to the individual—this and nothing more." Such a trivial conception of the business of an organized society as this, applies to a Druid forest court, or a German Witenagemot, or an Eastern Cadi, but not to a modern State. One does not now equip a steam man-of-war to shoot arrows and javelins.

The primary object of government is not, as Mr. Spencer says, "to secure justice to the individual—this and nothing more." That is only *one* of its functions. The function of public improvements, such as lighting harbors, opening highways, coining money, educating children, is as legitimate a work of the collective community as "securing justice to the individual."

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Richmond, (Va.) Times, February 22d, 1891.

The author treats his subject in the most thorough manner, and those interested in social progress should not fail to read the work.

The American Economist, March 20th, 1891.

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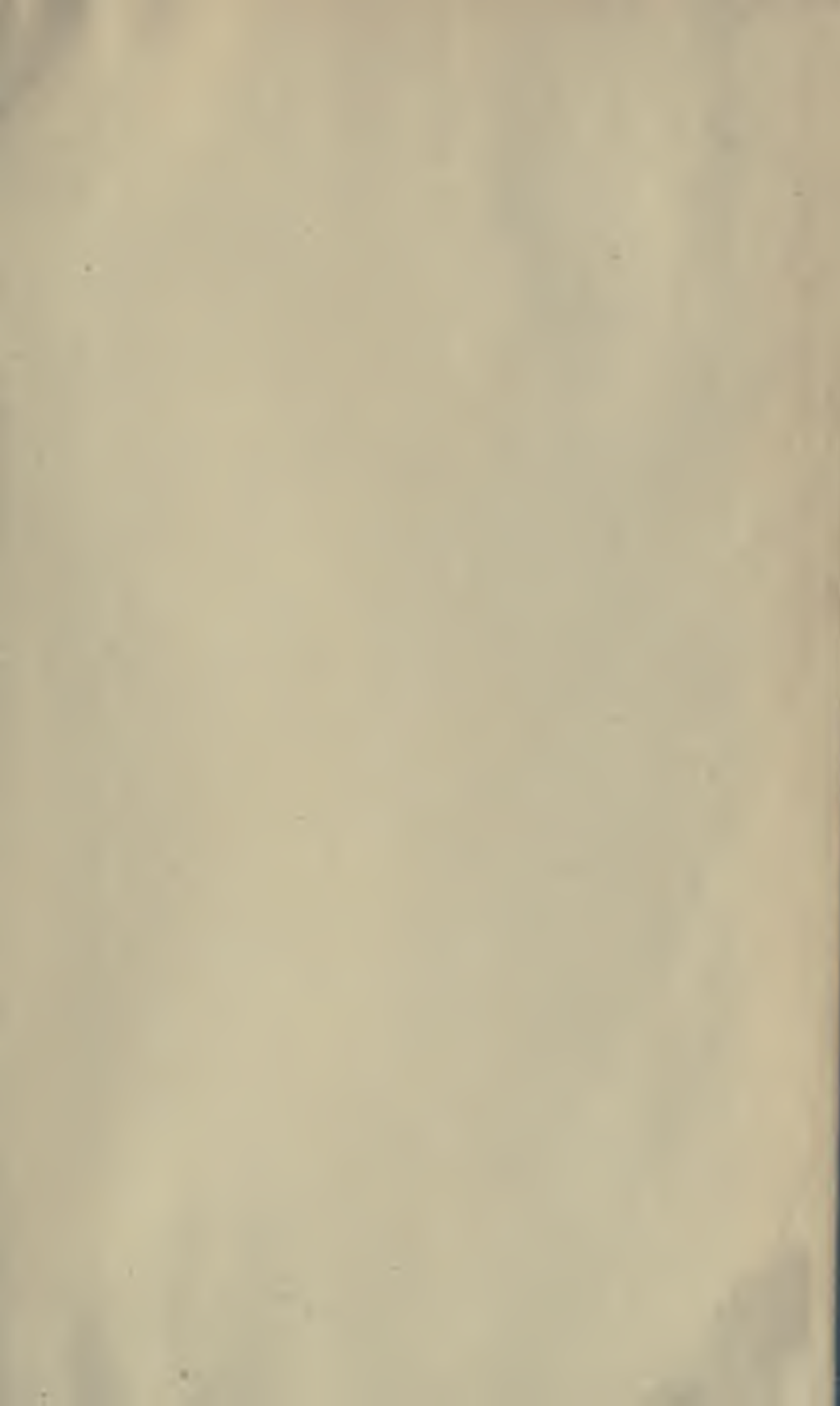
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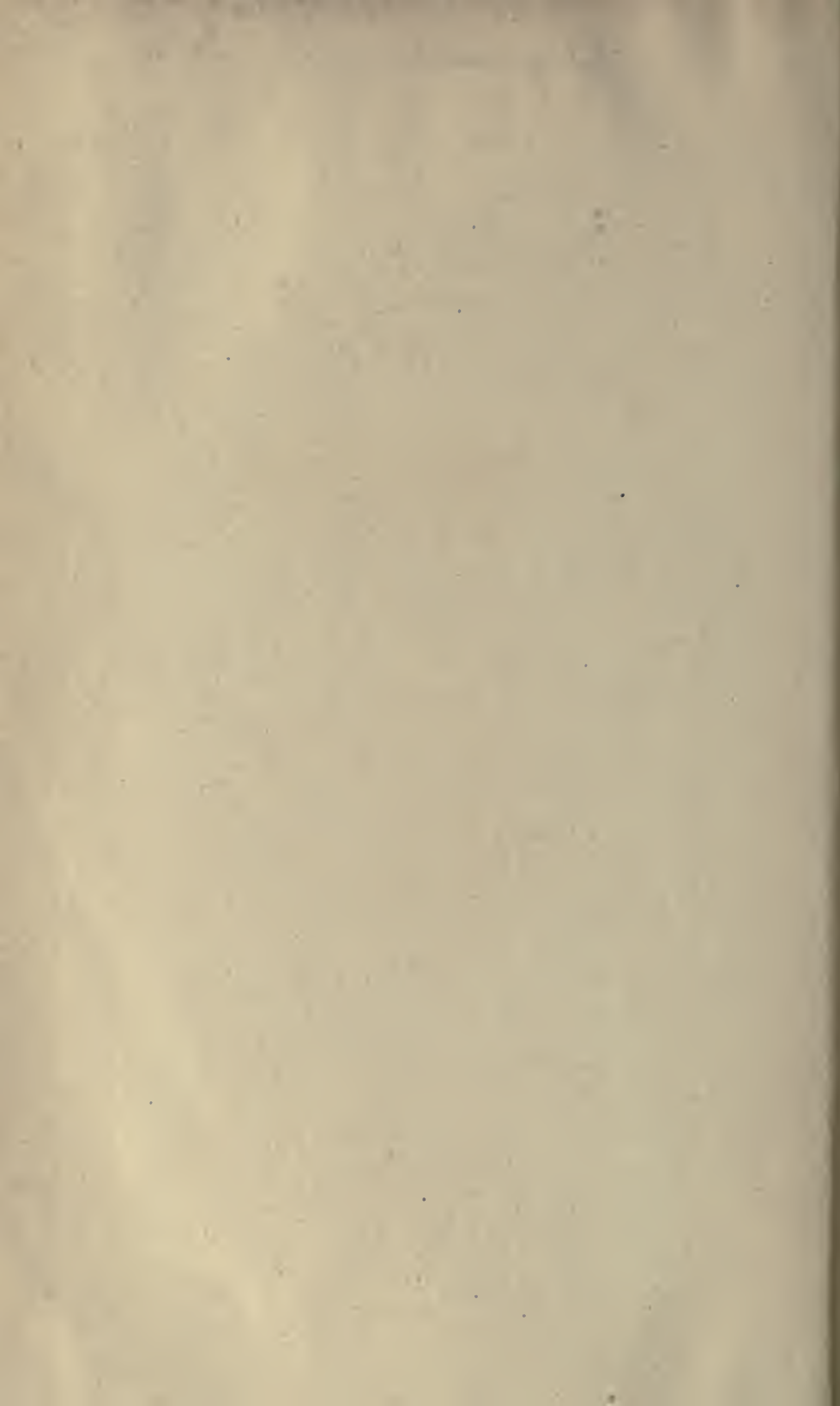
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